

JPRS 80513

7 April 1982

Near East/North Africa Report

No. 2521



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

7 April 1982

NEAR EAST/NORTH AFRICA REPORT

No. 2521

CONTENTS

ALGERIA

Diversification, Global Cooperation Discussed (G. Boutaleb; REVOLUTION AFRICAINE, 29 Jan-4 Feb 82)	1
Support Urged for Consumer Protection (REVOLUTION AFRICAINE, 29 Jan-4 Feb 82)	8

EGYPT

Oil Minister Surveys Production Goals (Faruq 'Abd-al'-Aziz; AL-JUMHURIYAH, 27 Feb 82)	13
Opposition Expresses Views on Subsidies for Essential Goods (Fayiz Zayid; AL-AHRAR, 23 Nov 82)	15
Causes of Shortage of Skilled Manpower Discussed (AL-'UMMAL, 30 Nov, 7 Dec 81)	18
Dimension of Problem, by 'Atif Husayn Causes of Problem, by 'Ahf Husayn	
Details of New Tax Structure Described, Analyzed (Su'ad Murjan; AL-AHRAM, 10 Dec 81)	24
Information Minister Discusses New Ministry's Plans, Role (Muhammad Safwar al-Sharif Interview; AL-AHRAM, 19 Jan 82)	29
Presidential Decree Organizes Ministry of Tourism, Tourist Activities (AL-JARIDAH AL-RASMIYAH, 31 Dec 81)	34
Briefs Tourism to Israel Facilitated	37

IRAN

Draft of Land Reform Bill Presented to Majlis (ETTELA'AT, 1 Mar 82)	38
Libya's Qadhdhafi Pledges To Support 'Iranian Brothers' (ETTELA'AT, 20 Feb 82)	45
Compulsory Islamic Council Membership for Students Abroad (Voice of Iran, 23 Mar 82)	48
Shah Praises Armed Forces at War (Voice of Iran, 23 Mar 82)	49
War With Iraq 'Serving Israel's Purpose' (Free Voice of Iran, 24 Mar 82)	51
USSR Support of Khomeyni Despite Ruthlessness Decried (I AVGI, 11 Mar 82)	53
Briefs	
Ruhani Calls for Revolt	54
Tehran Clash Reported	54
Summary Execution Order	54
Opposition Leader's Message	55
Khomeyni Murder Plot	55
Delegation to Syria	55
Bank Governor to Libya	55
Whereabouts of Hoseyn Fardust	56
Methods To Identify Opponents	56
Regime to Tax Bazaaris	56
Clergymen Imprisoned	56

ISRAEL

Finance Minister Discusses Current Economic Policies (Yoram Aridor Interview; YEDI'OT AHARONOT, 1 Jan 82) ..	56
Leadership Struggle in Herut Predicted (Avi Bettelheim; MA'ARIV, 5 Feb 82)	64
Financing of Lavi Plane Discussed (Ya'ir Kotler; MA'ARIV, 5 Feb 82)	69

JORDAN

Local General Overseer of Muslim Brotherhood Interviewed (Abu Majid Interview; AL-MUJTAMA', 26 Jan 82)	77
---	----

KUWAIT

Agricultural Development Conference Held (AL-SIYASAH, 15 Feb 82)	83
Hawali Governorate Crime, Security Discussed (Sayyid Uthman; AL-SIYASAH, 16 Feb 82)	86

QATAR

Briefs Ship Repair Yard	89
----------------------------	----

SUDAN

Briefs Provisional Orders	90
------------------------------	----

UNITED ARAB EMIRATES

University Graduates First Class (AN-NAHAR ARAB REPORT & MEMO, 8 Mar 82)	91
Current Food Projects Outlined (THE ARAB WORLD WEEKLY, 6 Mar 82)	92
Briefs Oil Exploration in Pakistan	94

DIVERSIFICATION, GLOBAL COOPERATION DISCUSSED

Algiers REVOLUTION AFRICAINE in French No 936, 29 Jan - 4 Feb 82 pp 22-25

[Article by G. Boutaleb]

[Text] Diversification of trade, within the framework of the global cooperation advocated by the president of the Republic on several occasions, particularly during the conference of management executives and in the cabinet, was specifically on the agenda this past week. In fact, various agreements and protocols for cooperation were signed at the conclusion of the official visits to Algeria of the president of Yugoslavia's Federal Executive Council, the French minister of economic planning and development, and the Zimbabwe minister of industry and energy development, as well as of those made to Finland and Austria by Algerian ministers.

In closing the last cabinet session (24 January), the president of the Republic presented his guidelines for exploring all possibilities to diversify our foreign trade within the framework of a global cooperation which would take the requirements for our country's economic and social development into consideration.

In 1980, the EEC, Japan, the capitalist countries of Europe and the United States accounted for close to 88 percent of our imports, as compared to 4.2 percent from socialist countries and less than 5 percent from the Third World.

But, with their products, the West and its capitalist monopolies (who speculate on prices and exchange rates) are exporting a rate of inflation which has become intolerable. In fact, it is now proving impossible to maintain membership in this sphere of trade and at the same time to achieve the trade balances set in the 5-Year Plan. The foreign trade balance recommended by the plan is based on limiting the annual increase in value of imports to 6 percent in order to limit to some 273,460 million dinars the total expenditures required to finance imports during the 5-Year Plan period. However, the annual rate of inflation imported from the capitalist world would amount to approximately 15 percent.

During its second session, the Central Committee had already recommended "reinforcing the policy of diversification of trade partners by increasing relationships with Third World and socialist countries with our mutual interest and with a view toward protecting the country's economic independence." President Chadli developed this key idea by asking the management executives gathered at the conference to explore all possibilities for avoiding the monopolies which dominate the international market.

But the political desire to diversify trade must be supported by effective means of application. Thus, since the socialist countries and many of the Third World countries have planned economies, it is proving essential to plan mutual trade over the middle and long term. The initiative of establishing scheduled contracts and multiyear AGI's and, in this perspective, the adoption of the new code for public markets on 10 January by the cabinet, are basic elements in promoting trade diversification, which was more specifically on the agenda this past week.

Expanding "Collective Autonomy"

Upon the invitation of Prime Minister B. Abdelghani, the president of the Federal Executive Council of the Socialist Federal Republic of Yugoslavia, Mr V. Djuranovic, made an official and friendly visit to Algeria during which the two heads of government "initiated a broad exchange of views on bilateral relations and international problems of mutual interest."

They "emphasized with great satisfaction the remarkable progress which economic cooperation is experiencing and confirmed their readiness to strengthen this cooperation and to extend it to all areas on a stable and long-term basis" (joint communique published at the end of the visit).

When the armed struggle broke out in 1954, Yugoslavia was the first European country to openly declare itself in favor of independence for Algeria. The Algerian-Yugoslav solidarity which was forged during the struggle for national liberation was then strengthened by a similarity of views on the political level, especially within the movement of nonaligned nations.

But, until Mr Abdelghani's visit to Yugoslavia (January 1980), economic relations did not develop along with political relations.

As the personal emissary of President Chadli during President Tito's illness, the Algerian prime minister, heading a large delegation, was also responsible for discussing with the Yugoslav officials new ways to deepen and extend Algerian-Yugoslav cooperation. This visit, moreover, was the culmination of a series of exchanges of delegations: no fewer than 20 for the year 1979 alone. Starting with the principles of "collective autonomy" and strengthening economic cooperation among the nonaligned nations (emphasized by the doctrines of the two countries and the resolutions of the 6th Congress), Mr Abdelghani and his host, the president of the Federal Executive Council, Mr V. Djuranovic, did in fact arrive at the conclusion that economic relations between their two countries should not only experience growth on the commercial level, but also in advanced forms of economic cooperation: the

creation, in matters of investment and technology, of joint enterprises and projects. Besides, the moment proved propitious: Yugoslavia and Algeria were then preparing their 10-year and 5-year plans, respectively.

The resolution made at the conclusion of Mr Abdelghani's visit and during the meeting of the joint committee in May of the same year could thus be applied very quickly: the total value of Algerian-Yugoslav trade increased twentyfold in less than 3 years. In fact, trade increased from \$17 million in 1978 to \$342 million for the first 11 months of 1981. During the same period, Algeria became Yugoslavia's number one African trading partner, and number three among the Third World countries.

The increase in trade volume has been accompanied by the conclusion of numerous investment contracts whose value exceeded the billion dollar mark for the past 2 years.

Trade between the 2 countries should reach close to \$400 million in 1982 with a slight surplus favoring Algeria which is supplying hydrocarbons, iron ore, pig iron and zinc to Yugoslavia. Yugoslavia is exporting tractors, tourist vehicles and household electrical appliances to Algeria. In addition, Yugoslav contracts are participating directly in the construction of three large dams included in the 5-Year Plan (Oued Sly [Chleff], Ain Inder [Setif], and Keddara) intended to supply the capital with drinking water, of roads (Chiffa-Berrouaghia, in particular), of silos, and soon of 10 centers for professional training and 35,000 housing units which will be built under a multi-year intergovernmental agreement signed on 27 April 1981 for 4 years and divided among the cities of Algiers, Jijel, Oran and Bejala. The method selected for accomplishing such a vast program provides for joint support staff.

Furthermore, the official gazette of 21 April 1980 carried a decree dated 19 April 1980 regarding approval of an agreement concluded between the Yugoslav national company Mafta-Gas and SONATRACH [National Company for the Transport and Marketing of Hydrocarbons] for research and development of liquid hydrocarbons in Algeria. Established in 1949, the Yugoslav company is the number 2 contributor to the Yugoslav economy and has initiated various hydrocarbon research programs in Yugoslavia itself where it discovered some 40 small deposits, and in several Third World countries: Guinea, Gabon, Tunisia, People's Republic of China, North Korea.

Algerian-Yugoslav technical cooperation, on the other hand, has until now attained only a very low level.

During the visit made to Algeria from 18 to 20 January by Mr V. Djuranovic, president of the Federal Executive Council of the Yugoslavian Republic, at the head of a large delegation, ways and means to reinforce cooperation between Algeria and Yugoslavia were specifically reviewed at the Ministries of Hydraulics and Commerce. The two parties then specifically mentioned the outlook for cooperation in the area of training hydraulic engineers and advanced technicians as well as the possibilities for Yugoslavia to contribute to the completion of large integrated water management projects in the

Hauts Plateaux in particular. Contacts between Yugoslav and Algerian specialists also took place at the Ministries of Public Works, Housing and Construction.

Finally, the Yugoslav cochairman of the joint Algerian-Yugoslav committee had discussions with Messrs M'Hamed Yala, minister of the interior and Algerian cochairman of the committee, Brahim Brahimi, minister of hydraulics, and Kasdi Merbah, minister of heavy industry, on specific aspects of cooperation between the two countries, as well as on questions regarding preparations for the next session of the joint committee.

The communique published at the end of Mr Djuranovic's visit indicates, in conclusion, that the two heads of government also "stressed the role of the movement of nonaligned nations as an independent and irreplaceable factor in international life" and reaffirmed their desire, in cooperation with the nonaligned nations and based on the principles and goals of the policy of nonalignment, to continue to deploy all efforts to "strengthen the unity of the movement of nonaligned nations and increase its capacity to act in order to enable it to make a decisive contribution to solving international problems."

A Charter for Government Action

It is also based on common political concepts and a desire to establish exemplary trade relations integrated within an overall vision of the future of the international community, that trade negotiations are currently taking place between Algeria and the French Socialist Government.

Therefore, in response to the political desire expressed by the Algerian and French heads of state, particularly on the occasion of their meeting in Algiers at the end of 1981, the visit to Algeria (18-19 January) of the French minister for economic planning and development, Mr M. Rocard, at the head of a large delegation, enabled the basic principles of Algerian-French cooperation to be clarified within the current international environment and in consideration of the political orientations and middle and long-term interests of both countries.

According to the French minister, the report of the discussions between Mr Rocard and his Algerian counterpart Mr Brahimi, a 13-page document, constitutes "the charter for action by the two governments." In particular, it enables them to "trace the scope of joint actions in the economic area and the conditions for their effective and satisfactory implementation": an integrated overall vision, insertion of cooperative action between the two countries into planning processes, sectorial plan agreements, inter-governmental coordination and follow-up, special technical cooperation, simplification of procedures.

The discussions also enabled identification of several areas in which middle-term cooperation could be undertaken. These involved road, railway and air infrastructures, housing, industrial development, hydraulics, agricultural development, and scientific and technical research applications.

Messrs Brahimi and Rocard also signed a protocol establishing cooperation between their respective ministries. In fact, they agreed to develop lasting relations for cooperation and exchanges of technology and information between administrations and organizations involved in planning and national development.

Furthermore, the joint communique issued at the conclusion of the French delegation's trip indicates that "as of now, the Algerian Government has decided to enter into the accomplishment of several financial projects with France," a list of which was not distributed, but most of which are known: Mr Dreyfus, the French minister of industry, termed them "developed" during his visit to Algiers at the end of November 1981, shortly before the arrival of the president of the French Republic, Mr F. Mitterrand. It would involve, obviously, subject to actual negotiations to be held among authorized ministers and the companies involved, the sale of several thousand trucks (5,500 Renault's), the construction of a glass plant in Jijel and an aluminum plant in M'Sila, a subway in Algiers, construction of an ink plant, a pasta plant, two 160 to 180 kilometer railroad lines in Constantinois, and finally, natural gas reinjection plants for the Oued-Moumer deposit in the Ain Amenas region.

The total would amount to about Fr 10 billion (since 1975 only about 10 large contracts have been signed, amounting to a total value of approximately Fr 3 billion and basically involved sales of standard manufactured products and consumer goods).

These contracts should prime the pump for the flow of industrial cooperation between the two countries again, both sides emphasize.

Also under the intergovernmental agreement signed on 20 December 1981 and according to the schedule established, the heads of SONATRACH and Gas de France have been negotiating since 23 January in Paris. The meeting should enable the two enterprises to complete their work and to finalize the agreements for delivery of 5.1 billion cubic meters of Algerian LNG per year.

In an interview with LE MATIN, Mr M. Rocard stated: "The base price has been agreed upon. Now there remains the problem of the method of indexing, the period of reference," after having stressed: "in fact, the gas problem is not a matter of price. It is a general problem. The entire interest of this project for cooperation initiated by the desires of the two heads of state is that it go beyond the scope of any particular sector. Gas is in the general category, in the search for balanced trade between France and Algeria." And the French minister for economic planning and development concluded by saying to his interviewer: "We have all said that the best form of assistance to Third World countries would be to agree to pay for primary resources at a suitable price. We are applying this policy."

Energy, the petrochemical industry, and heavy industry: cooperation with Zimbabwe was also on the agenda this week during discussions between the Algerian officials involved and the Zimbabwe delegation led by Mr Simba Maconi, Zimbabwe minister of industry and energy development. The delegation,

which visited the Arzew installations and participated in a roundtable discussion organized in their honor by SONOTRACH executives, expressed a desire to see Algeria participate in the development of the petrochemical industry in Zimbabwe, especially by handling the training of executives and technicians and furnishing technical assistance in matters of organization and implementation of structures for distributing refined products. Possibilities of furnishing Zimbabwe with refined products were also mentioned.

Increased Diversification

Furthermore, Mr K. Merbah, member of the Central Committee and minister of heavy industry, and Mr S. Marconi examined possibilities for developing industrial and commercial cooperation in the heavy industry sector. The Zimbabwe minister also visited SN Metals' plant, El-Harrach's public works equipment plant, and the Cote-Route engineering works.

A project aimed at giving the Zimbabwe state sole responsibility for sales of the country's ore was presented to Parliament on 21 January. This project consists of creating a government company which would be solely responsible for the sales of the country's ore, exports of which were estimated at more than \$500 million in 1981.

The white representatives of Mr Ian Smith's Republican Front (minority in Parliament) who represent the business world are naturally opposed to this project, which should be adopted easily anyway due to the parliamentary majority from which the prime minister, Mr Robert Mugabe, benefits. The discussions should continue to the end of the month of February.

On an official visit to Finland, Mr Ali Oubouzar, secretary of state for foreign trade, signed an agreement for economic, industrial, scientific and technical cooperation on 19 January with his Finnish counterpart, under the terms of which an Algerian/Finnish intergovernmental joint commission is established, and the mechanisms for promoting cooperation between the two countries are defined.

Mr A. Oubouzar also received the heads of Finland's federation of foreign trade, with whom he studied the concrete perspectives offered by the Algerian and Finnish economies for trade growth, particularly in the forestry, wood processing, fishing, construction and port activity sectors.

Finally, a draft agreement for technical assistance, training in the railroad area, modernizing the network, replacing and building track, received the consent of the Algerian and Austrian parties during the official visit which Mr Salah Goudjil, minister of transportation, just made to Austria. Furthermore, this cooperation may be extended to air transportation.

In March 1979, an Austrian delegation led by Dr A. Nussbaumer, secretary of state for the Chancellery of the Federal Republic, came to Algiers to discuss conditions and methods for implementing cooperation in railroad transportation with the Algerian officials of the Ministry of Transportation. These discussions followed those initiated in Vienna in May 1978.

At the conclusion of the Austrian delegation's visit on 9 March, a protocol of agreement in railroad affairs was signed, providing for cooperation in studies, technical assistance, training, completion and equipping of complete routes and fixed installations, as well as supplying railway equipment. In regard to railway development, it also provided for the study and completion of lines of the high plateau route, and, with regard to modernization and improvement of the current network, joint activity to maintain and replace track and fixed installations and an overall analysis of bridges and tunnels.

The sectorial agreement for financing the Algerian-Austrian program for cooperation in the railroad area was finally signed in Algiers on 6 July 1981 by Mr M. Yala, member of the policy committee and minister of finance, and by Mr M. Salcher, Austrian minister of finance, on an official visit to Algeria at Mr M. Yala's invitation.

This agreement follows an interbank agreement between the BAD [Algerian Development Bank] and the Austrian bank, OKB, and completes the protocol signed in 1979 providing for the establishment of favorable and long-term cooperation between Algeria and Austria, particularly in the area of railroads, which just received the official approval of both parties during Mr Goudjil's last visit to Austria.

9693

CSO: 4519/124

SUPPORT URGED FOR CONSUMER PROTECTION

Algiers REVOLUTION AFRICAINE in French No 936, 29 Jan - 4 Feb 82 pp 22-25

[Text] Our imports cover 50 percent in value of national food needs, while close to 20 percent of national food industry production is in the hands of the private sector which besides dominates certain specific branches.

"Wholesome and genuine": that's the appealing phrase assigned to any merchandise traded internationally.

Abroad, even the food and agriculture industry does not escape the headlines of the scandal sheets. But, in certain cases, the public interest is commandeered when it is a matter of human lives. In Spain, dozens of deaths have been caused by consumption of adulterated oil, which elsewhere the introduction of synthetic hormones has sped up the beef production cycle at the expense of its reliability for consumption.

In this area, the elimination of unscrupulous practices and the achievement of social imperatives are achieved by the same means, quality control.

With this in mind, the necessity of establishing national standards has already been stressed in two Central Committee resolutions. In the first case (housing resolution), coordination of sizes of construction materials is in the process of being completed, while in the second (resolution on the private sector), the problem has just been brought up in the wider context of the national economy as a whole and its social ends.

Quality Control: Standards

By protecting the consumer, we place the manufacturer on the road to improvement of the quality of the products supplied as well as of the performance of the production apparatus. Furthermore, the supply-demand relationship cannot and must not be perpetuated as long as we want to contribute to implementing the desired economic reorganization and increased control of our planning.

Although it is a vital field, the food industry is split among several participants. Between a semimonopoly in the manufacture of sweets and a large

share of the canning industry, private manufacture is rather incidental in biscuits and carbonated beverages.

In the strategic areas, SN SEMPAC, SOGEDIA [Food Industries Management and Development Company], SN EMA, ONALAIT, ONAPO [Algerian National Olive Products Office] and other public companies are generally assembled under just two ministerial authorities: the Ministry of Light Industry and the Ministry of Agriculture, both are also involved in supplying up the line.

Price control, which continues to be a touchy subject, has just been joined with the similar issue of quality control, both under the Ministry of Commerce and its extensions on the wilaya level. While price is easy to quantify, the concept of quality is much less so. It is therefore essential to specify what it includes, all the more so since with time the chronic imbalance of supply and demand has contributed to relegating this matter to a lower level of concern.

What does the consumer expect of any product he buys? That it meets the required purpose, that it is free of defects, that it has certain characteristics as far as safety, aesthetics, etc., are concerned (the contents as well as the package): these are enough requirements to make the concept of quality rather complex. On another level, by compelling much higher production rates, the industrial revolution has distorted the definition of quality. By quality we now mean the sanction obtained by respecting pre-established standards. Above all, quality control is therefore respecting standards.

Overall, quality control is conducted both on the raw materials during the production cycle and at the end of production. Depending on the type of products, various tests are performed: sensory (freshness, taste, smell--of fruits and vegetables purchased by SOGEDIA, for example), physical chemistry, and microbiological.

Control of imported raw materials is relatively more stringent. Several samples are taken for physical chemistry tests and comparative analysis. For oil seeds (soy, colza), the oil content can vary between 42 and 43 percent, while the limit for waste is set at 12 percent (moisture and impurities combined, 9 percent and 3 percent respectively). For sugar, it is the sucrose level which is of interest; for fruits, it is the acidity. As for wheat, it is checked to see that it is not bug-infested, rotten, weevil-eaten, moldy, etc. The testing then involves determining the rate of waste, moisture and certain other factors affecting yield.

Testing during production or during storage then is a stage which is no less important, and is more involved with respect to various technological conditions depending on the equipment supplier. In canning, this involves cooking time, cooking temperatures, packing, etc. Flour and semolina are subject to the same sensory, chemical and microbiological analyses. The chemical measures are related to the levels of moisture, ash, acidity, coarseness (or not passing through a strainer), and protein (11 percent minimum). Microbiological testing enables verification of the absence of any dangerous bacteria such as staphylococcus, salmonella (risk of typhoid fever), etc.

At the end of the line there is control of the finished products, the stringency of which, in most cases, will be inversely related to that of the previous tests. It is evident that for obvious reasons of cost it is preferable to intervene at the beginning of the production cycle.

Laboratories and Tests Performed¹

SN-SEMPAC

- 70 plants, 3 regional laboratories, 37 plant and division laboratories
- Tests performed: standard and systematic testing, technical tests, physical chemistry analysis, bacteriological analysis, specific testing and applied research at the regional laboratories.

SOGEDIA

- 26 plants, 1 central laboratory, 24 plant laboratories.
- Tests performed: determination of physical chemistry properties of raw materials and finished products, testing of chemical variables during production.

SN-EMA

- 12 plants, 1 central laboratory, 12 plant laboratories.
- Tests performed: quality control and production control, physical chemistry and microbiological analysis, specific tests and applied research at the central laboratory.

For companies in the light industry sector, the major guidelines for control are established by Ministerial Circular 49 CAB of 6 November 1981. Practically speaking, the technical part is composed of foreign standards and regulations which have been made official at the company level.

For, quality control can only be achieved through the prerequisite of standardization. The purpose of this is the establishment of a certain number of regulations intended to "discipline" the production sphere. Its field of application is rather wide and involves terminology, sizes, methods for taking samples, testing and production, as well as conditions for packing, canning and shipping. For all of these items--subsequent to widespread cooperation and the necessary consensus--objective parameters are established whose universality cannot be questioned by any involved party: producer, consumer or tester.

The basic problem for quality control is the near void in legislation. At the very most, national legislation concerning standardization is prepared

¹ Study entitled "Quality Control In The Light Industry Sector," INAPI Quarterly Bulletin, No 20.

for by the statute dealing with creation of the INAPI [Algerian Institute for Standardization and Industrial Propriety] and Ministerial Circulars 29 and 31 dated 1973 and 1975 respectively. Considering the lack of text, the few standards drafted are not covered by defined legal statutes.

Which ones are optional? Which are mandatory? The methods and organizations for control beyond the company? The sanctions provided for?

However, the urgent need to protect the consumer will not wait and calls for serious action in regard to the problems encountered. With this in mind, we can cite the simple example of plastic bottles--of identical size, shape and color--which can each contain distilled water or battery acid, vinegar or orange water. All it takes is a label which is poorly attached to start with, and there could be a crisis.

Without being certified, this same plastic is used to produce baby bottles and nipples, the dangers of which have been pointed out with much publicity. Wouldn't it be advisable to regulate this type of enterprise? Another example which could have more than one outcome is related to the lack of specification as far as the reuse of frying oil is concerned. More or less unlimited for restaurants and vendors of french fries and fritters; not at all in our kitchen use, the number of times this oil is reused is, however, useful to know to avoid toxic occurrence on the one hand, and "over-importation" of oil on the other.

The economic advantages of standardization are not unknown on the international level. In 1972, two standards regarding the use of fertilizer in cottonfields and the improvement of sugar beet quality and processing profited the USSR in the amounts of 462 and 450 million rubles respectively. The ISO Standard 1673 regarding conditions for storage of onions enabled an increase in the life of this product from 6 to 8 or 9 months. Sampling 5 to 30 percent of the harvests, annual losses of grain could be significantly decreased by a better approach to methods of storing the grain, especially in the present context of the food shortage. It was with this in mind that the ISO recently published a standard defining the conditions for storing this precious commodity. Standardization therefore involves both the state and the consumer.

A National Solution Is the Only One

In this regard, the work done by the ISO does not always seem to be of great help to a developing economy. The necessary consensus which presides at the beginning tends to facilitate international trade much more than to impart technological knowledge to underdeveloped countries. Besides, standardization is not neutral and always depends on the acquisition of a certain number of parameters peculiar to the country where it is written. The national solution is therefore the only one to be taken.

On the international level it has been agreed to recognize a delay in standardization of the agricultural and food sector in comparison to the industrial sector due to the specificity of food products. Under specific

characteristics there is included the biological origin of the raw material which is determined by nature. Furthermore, the performance and the composition of the item in question, the food product, are susceptible to variation over time, often beyond the manufacturer's control in the distribution channels. Many subjective criteria (age of consumer, environment, state of health, individual habits, even fashion) affect the design of the finished product offered to the consumer. The field of application of technical specifications and quality control is therefore rather wide.

There are two widely divergent positions: the one which puts both regulation and standardization methods to work at the same time (as is the case in developed countries with capitalist economies) and which allows free use of both, and the one which institutionalizes mandatory standards through a flexible procedure. A single legal text will define the status of the standard, the authority for its creation and control, while eased regulations will facilitate preparation of national standards. In our opinion, the second option is the more objective as long as the problem is not transposed into the "mandatory vs optional standards" debate.

Still, the directives given to INAPI reiterate the priority of the food industry sector while making a quicker procedure official for companies under the Ministry of Light Industry's authority.

But, the size of the task must also be reckoned with (examination of additives such as dyes, preservatives, thickening agents, bleaching agents, etc; examination of packing). Furthermore, the status of activity at the current department of fraud is widely indicative of actions to rationalize, reorganize, and prevent rather than cure. Finally, it must not be forgotten that through standardization--a necessary support for quality control--we must also arrive at preparation of a balanced Algerian nutritional model.

What Remains To Be Done

A national conference on standardization in the food industry organized by INAPI just took place on the 19, 20 and 21 January 1982. During his opening remarks, the minister of light industry largely stressed the efforts which remain to be undertaken in this area.

The rather ambitious agenda for this meeting was to integrate several themes relating to standardization and quality control in the food industry, to methods of testing, sampling and analysis, to specific cases of standardization for fruits and vegetables, oil seeds. Questions of packing, food additives and labeling of food products were presented by foreign specialists from the combined perspective of standardization and regulations in effect. The participants, mostly representing public companies, were very interested in the various presentations made, in which activities of SN-SEMPAC and SOGEIDA were featured.

In addition to the information supplied, this gathering will have enabled various public operators to view their experience while measuring the amount which remains to be done.

9693

CSO: 4519/124

OIL MINISTER SURVEYS PRODUCTION GOALS

Cairo AL-JUMHURIYAH in Arabic 27 Feb 82 p 1

[Article by Faruq 'Abd-al'-Aziz: "'Izz-al-Din Hilal: Forty Areas for Oil Exploration; Extending Natural Gas Pipelines to the Sinai Fields"]

[Text] Engineer Ahmad 'Izz-al-Din Hilal, deputy prime minister for production and minister of oil, announced that Egypt's production of petroleum will reach a million barrels a day in 1984, after all of the oil fields in Sinai have been returned to Egypt.

He said that there are 40 areas suitable for oil and natural gas exploration in which international companies will drill during the coming period.

He said at the International Conference on Natural Gas yesterday that our current production of oils has reached 670,000 barrels a day and 50,000 barrels of natural gas.

The deputy prime minister demanded that oil experts draw up complete studies for using natural gas as one of the major sources of energy after Egypt's entry in this sphere 8 years ago.

Hilal announced that the Petroleum Organization has effected some changes in the conditions of the agreements concluded with the international companies in order to increase their drilling activity and has invited the investors to work in areas which have been determined according to the position promoted by the Egyptian Government for this kind of productive economic activity.

Chemist 'Abd-al-Hadi Qandil, chairman of the Petroleum Organization, explained that negotiation between the Petroleum Organization and a number of international oil companies is underway to sign 30 new agreements for oil exploration and exploitation in a number of land and sea areas in Egypt, in addition to 75 agreements which have been signed previously.

The oil sector plan calls for production of approximately 35.5 million tons of oil by the end of next June, of which 2.5 million tons are natural gases. This production is about five times what was produced in 1974 and a 2.5 million ton increase in capacity over production realized last year.

He said that the natural gas fields of Abu Madi, al-Gharadiq and Abu Qir will increase production to three times current production after development there.

Egypt's production of gas has reached 6.57 million cubic meters and it is expected that it will increase to 30 million cubic meters in 1986.

The organization currently is undertaking a project to concentrate huge quantities of natural gas in the Gulf of Suez in order to extract the natural gas under low pressure and for that reason the gas is concentrated in three stations in the Gulf of Suez and pumped in pipes, after its condensation, to Suez and Cairo, with a total capacity reaching 2.3 million cubic meters.

Studies also are being made on extending gas lines to the Bala'im and Sadr fields in Sinai in order to exploit the gases found there.

The chairman of the Petroleum Organization announced that Egypt had drawn up an ambitious plan to build a network of natural gas pipelines in various governorates and to connect them to production areas in order to ensure their needs and to supply the electricity generating stations and other industrial installations and to rely increasingly on the use of natural gas in homes.

Egyptian gas last year shared in 42 percent of fertilizer manufacture, 35.6 percent of the electricity sector, 13.5 percent of the cement sector, and 8.4 percent of iron and steel manufacture.

Dr Salah Hamid, minister of finance, Dr Kamal al-Janzuri, minister of planning, a number of officials in the petroleum sector, and 300 European, American and Egyptian experts attended the conference.

CSO: 4504/242

OPPOSITION EXPRESSES VIEWS ON SUBSIDIES FOR ESSENTIAL GOODS

Cairo AL-AHRAR in Arabic 23 Nov 81 p 3

[Article by Fayiz Zayid: "Subsidy Issue From Viewpoint of Opposition; Liberals: Subsidy Eliminated Gradually and Added to Wages; Labor: Why Are We Discussing Subsidy, There Are More Important Priorities; Grouping: Continued Subsidy for Essential Goods Is Necessary"]

[Text] After all that has been said about the subsidy, what is the opposition's opinion? Should the subsidy for essential goods continue or should it be abolished? If it is abolished, will it be added to wages? We offer the answer here through interviews with the leaders of the three political opposition parties--the Liberals, Labor and the left.

Mustafa Kamil Murad, the Liberal Party chairman, says that the subsidy has been rising fearfully year after year and exceeds 2 billion pounds [annually]. Therefore, a clear-cut policy seeking to funnel the subsidy to those who really deserve it must be drawn up. The subsidy for some goods must be eliminated gradually while wages are raised by the same amount to meet the burdens that will be shouldered by the citizens.

Mustafa Kamil has warned against continuing the subsidy policy, which encourages the use of subsidized goods for purposes other than those for which they are intended, such as bread, which is used as livestock feed because it is cheaper than fodder. Therefore, if the subsidy policy continues as it is, it is expected that the subsidy will increase by no less than 200 million pounds annually to coincide with a population growth of 1.2 million persons annually. This leads to a draining of the state's sovereignty, of tax and customs revenues and other revenues.

Gradual Abolition

[Question] Do you approve abolition of the subsidy all at once or gradually?

[Answer] A complete policy may be drawn up to abolish the subsidy gradually and raise wages by the same amount over a period of 5 years. For example, the prices of subsidized sugar and oil can be raised at a rate of 2 piasters a kilogram. The price of bread can be raised 5 mils per loaf and its quality can be improved. This can be done until prices become realistic and wages compatible. It is noted that a large part of the subsidy ends up in the

hands of some opportunists and does not reach the people with limited income who deserve it. However, the subsidy must be streamlined and must not be abolished at once.

Mustafa Kamil Murad added: The policy of continued subsidy is not a sound policy because it encourages increased consumption and because it drains one-half of state revenues. The subsidy is no more than in-kind wages paid in the form of goods sold at reduced prices. It is unreasonable for the subsidized loaf of bread to be sold at 10 mils and a similar [unsubsidized] loaf to be sold at 20 mils and yet find that the latter is in greater demand. It is also unreasonable for a meter of subsidized Kastor [a type of popular cloth] to be sold at 20 piasters while a similar product is sold for 40 piasters in the black market.

[Question] What is your opinion of the policy of price and wage control?

[Answer] I do not approve of constant price control and I do not approve of wage control because a dynamic (i.e., changing) economy compatible with the open-door economic policy requires that wages be raised annually at calculated rates pegged to inflation. At the same time, the prices of all goods and services must be moved annually at a rate ranging from 5 to 10 percent because such steps enhance state revenues and, consequently, enhance its ability to raise wages annually. Moreover, this streamlines consumption and curtails the increased demand for goods.

Priority

Eng Ibrahim Shukri, the Labor Party chairman, warns against responding to the World Bank and IMF demands to abolish the subsidy and to unify prices and turn them into the so-called "international prices"--demands made as a condition for Egypt's acquisition of loans and financial aid--because our economy still needs various approaches that keep up with the actual conditions and changes in distribution of the national income.

The Labor Party chairman also says: Frankly, I do not give priority to discussing the subsidy issue and to adopting measures in this regard because the priority must, in my view, go to the development issue and to how to increase our national income using various means and methods, taking into consideration the proper distribution of this national income among the citizens. We will then find that the subsidy issue will be dealt with during the process of improving our economy, of laying it on sound foundations and of abiding by plans with clear and specific goals recognizable by the people and plans that are implemented by the people as a whole and in which every citizen knows his role.

Eng Ibrahim Shukri believes that there are facts concerning the subsidy issue, including the fact that all acknowledge that the subsidy is necessary for some essential goods in light of low [individual] incomes. But the subsidized goods and the methods used to distribute them need to be reexamined for the purpose of streamlining them and of making the masses who deserve the subsidy feel that they really benefit from it, meaning that this benefit must be confined to those who deserve it. The third fact is that the costs incurred

by the state for subsidies are increasing annually. The discussion on these points must take its time and there should be no "haste" in deciding to change whatever pertains to the subsidy and to its present system because this is an extremely serious issue that has its dangers.

Eng Ibrahim Shukri adds: It was said at one time that there is no need for a subsidy of the sesame-seed sweet [halawa tahiniyah] on the pretext of saving nearly 2 million pounds. The subsidy, even the price control, for this sweet was abolished and we find ourselves facing prices exceeding 1 pound for a kilogram of this commodity. Now, they are talking of efforts to reduce the price of the sesame-seed sweet.

We must also not talk about raising the price of bread on the pretext that this commodity is at times misused as livestock feed because of its low price. The cure in this case lies in providing processed fodder and making it available to all livestock breeders.

This doesn't mean, according to the Labor Party chairman, that we should stand idle insofar as streamlining consumption and improving food supply goods are concerned. However, we must be extremely careful while changing the systems connected with supplying the essential goods at a certain price level at a time when the wages of government and public sector workers and the incomes of pensioners are unable to keep up with the high cost of food supplies and essential goods.

Subsidy Is Necessary

Khalid Muhyi al-Din, the chairman of the Progressive National Unionist Grouping, has said: The presence of subsidies for numerous commodities constitutes an acknowledgement that the incomes and wages of the overwhelming majority of the people would not be enough to meet essential needs if the subsidized goods were allowed to be sold at true market value. The solution lies in having the state take charge of selling the subsidized essential goods under its own supervision so that the subsidy ends up being received by those who deserve it or in reorganizing the system. This is an organizational issue to guarantee that the subsidy is received by those who deserve it without upsetting public economic activity.

Price Control

Khalid Muhyi al-Din believes that the subsidy should be channelled toward the receiving end and not toward the source and should not include intermediate [semiprocessed] goods, meaning that it should be channelled only toward the final production phase. If a subsidized commodity is not available [in adequate volume] then it should be distributed on ration cards. For example, fodder should not be subsidized by the state but meat should. The state should purchase the meat and pay the subsidy so as to control its sale to the butchers so that no price tampering can occur.

8494

CSO: 4504/136

CAUSES OF SHORTAGE OF SKILLED MANPOWER DISCUSSED

Dimensions of Problem

Cairo AL-'UMMAL in Arabic 30 Nov 81 p 5

[Article by 'Atif Husayn]

[Text] The issue of the shortage of trained and skilled labor is a national one. Perhaps what adds importance to this problem is that it has a great impact on some other national issues. Making up for the shortage in trained and skilled labor in the field of housing, for example, will contribute to a fundamental solution of this problem because a basic part of this problem is created by the lack of skilled construction labor. Moreover, solving this issue will help to bolster and strengthen the public sector.

Today, AL-'UMMAL opens the file on this important issue.

This issue also has another strange aspect. While the shortage has a harmful impact on the production process, an excess in manpower drains the budget of an establishment without offering any benefit.

Figures Speak

Through a quick glance at the statistics of the Ministry of Manpower and Vocational Training, we find that some specializations are experiencing an enormous manpower shortage. The statistics show that Egypt's needs for various specialization up to 1985 amount to nearly 520,000 specialists in just seven sectors. This means a need for more than half a million specialists distributed as follows: 226,200 teachers, 78,369 executive government employees, 64,681 physicians, 55,000 accountants, 55,148 engineers, and 21,390 jurists.

This is, of course, in addition to the severe shortages in construction, painting, smelting, electrical, mechanical, lathing and other crafts--crafts in which the local market is experiencing enormous shortages.

The figures also show that the number of workers in Egypt at present totals 11,422,400 workers and employees.

The number of Egyptians abroad totals 2,578,000, including 473,400 citizens constituting Egyptian manpower abroad.

United Nations Warns of Dangers

AL-'UMMAL has interviewed 'Abd al-Salam Hamadi, undersecretary in the Ministry of Manpower and the number one official in charge of training, who says that the studies and research conducted on the movement of manpower in Egypt in the past 10 years make it clear that Egyptian labor emigration to the outside world has its extremely significant social, economic and political effects. This emigration has led to an obvious shortage in the supply of trained skilled labor and to subsequent large increases in the wages of craftsmen and skilled workers, in addition to the gap existing between wage rates and price levels.

The Ministry of Manpower undersecretary adds that studies conducted by the UN International Development Agency conclude that the emigration of trained and skilled manpower has generated an obvious shortage in numerous crafts, skills and services and that if this situation continues for long it will create real obstacles to economic and social development.

Vocational Training Is Essential

The Ministry of Manpower undersecretary stresses the importance of vocational training. Through this training, balance can be restored to the Egyptian manpower structure and a contribution can be made to implement the national investment share at the required rates. This is in addition to controlling the constant rise in the wages of technicians and craftsmen.

The undersecretary also warns that training is not a haphazard process and that it must be subjected to medium and long-range planning on which special legislation must be issued to regulate its various aspects. He also warns that it is necessary to have good financing to enable the training process to utilize the most advanced science and technology.

National Training Plan Needed

Su'ad Abu al-'Aynayn, general director of training services at the Ministry of Manpower, says that there is a number of problems and obstacles hindering the training process in Egypt. Perhaps the most serious is the lack of a national training plan. It is noted that the agencies concerned with training in Egypt are numerous and varied. In addition to the Ministry of Manpower, we find that other ministries, such as the Ministry of Housing, the Ministry of Social Affairs, the Ministry of Industry and others, engage in training skilled labor. However, the observation worth noting is that each of these ministries and agencies operates according to different systems and policies. There is no coordination among them, there is no single policy uniting them and no plan at all for these agencies and ministries to implement. This is what leads ultimately to the failure of the efforts exerted for training.

Su'ad Abu al-'Aynayn asserts that this problem exists despite the presence of the Higher Training Council, formed in accordance with presidential decree No 796 of 1972 and despite the presence of the Higher Manpower and Training Council, formed in accordance with presidential decree No 795 of 1976.

Even Instructors Have Emigrated

Fikri Najib Mustafa, general director of training planning at the Ministry of Manpower, points out a number of other obstacles that impede realization of the training process. Even though training has now become the fundamental strategic mainstay of manpower in Egypt, legislators have not paid attention to regulating this training in a single law as in the case of the advanced countries, such as the United States, England and Japan, for example. This is why the Ministry of Manpower is now preparing a bill on training and another bill to establish a national fund to finance vocational and technical training. This fund is to be in control of other subsidiary funds and its monies are to be considered public monies. The fund will seek to strengthen training and educational establishments and will provide the financing necessary for training programs, in addition to the financing necessary for all aspects of the training process.

Mustafa asserts that what is more important than all this is the availability of adequate numbers of the training cadres needed to implement the training plan, such as instructors, supervisors and directors. This problem is considered one of the most important because of the scarcity of these cadres in the first place and because of the emigration of not a small number of them to work abroad where wages and incentives are rewarding.

Causes of Problem

Cairo AL-'UMMAL in Arabic 7 Dec 81 p 5

[Article by 'Ahf Husayn]

[Text] Last week, AL-'UMMAL discussed the various dimensions of the problem of trained and skilled manpower shortage. Today, AL-'UMMAL discusses the reasons that have led to this phenomenon that has become an extremely significant national problem because we consider knowing the reasons the key that leads us to possible solutions to the problem of the manpower shortage.

Absence of Planning

Mustafa Fathi, chairman of the General Union for Military Production and a member of the Consultative Council, says that the manpower problem in Egypt is intensifying day after day as a result of the offhandedness and lack of planning prevailing in the agencies concerned with this important and serious element of production. This is in addition to the failure to tie wages to production, the lack of connection and coordination between manpower planning and educational policy, the population growth and, subsequently, the escalating unemployment, the multiplicity in the tasks of the agencies concerned with manpower planning and the unplanned emigration to the outside world.

Mustafa Fathi points out that any manpower planner needs certain data to act as his guide in this planning. So far, there is no comprehensive and precise count of the manpower in the various production and service sectors--a count categorized according to craft, scientific specialization and skill level.

Certificate Pricing Is Another Reason

As the failure to tie wages to production has its dangers as one of the elements causing the imbalance in the labor market, wages are also considered foremost among the factors that encourage workers to seek to learn high-paying skills. Wages also create a balance in the manpower supply and demand. This is as it should be. But the actual situation is different.

As a result, we have experienced this dangerous drain of training cadres and of trained and skilled manpower from the public and government sector--a drain resulting from the search for better work opportunities, whether abroad or in the open-door economy projects that are careful to tie wages to production, regardless of qualifications or degrees.

Offhanded Educational Planning

Ahmad al-'Amawi, chairman of the General Union of Petroleum and Chemical Workers and labor secretary in the Democratic National Party, says that the failure to link and coordinate manpower planning with education policy is one of the main reasons for the manpower imbalance. There is a gap between educational planning and the country's manpower needs. Perhaps one of the main reasons for this gap is the absence of a long-range plan on which the education and training planner can rely in determining the specializations and skills needed by the labor market qualitatively, quantitatively and in terms of timing. This is in addition to the inadequate planning, management and distribution of manpower at national and local levels and the insufficient investments channelled toward certain educational sectors, thus causing their resources and their equipment to be inadequate. This has had its effect on the graduation of quantitatively insufficient specialists from these sectors and on the qualitative incompatibility of these graduates with local market needs.

No Consideration for Increase

Ahmad al-'Amawi adds that there is also the problem of the population explosion. This is a multi-dimensional problem that plays a major role in the imbalance of the Egyptian labor market. The figures indicate that those who enter the labor market represent 40 percent of the original labor force, whereas those leaving the market due to death or retirement represent only 14 percent of this force. This means that the state is required to find annual work opportunities for an additional 26 percent of the labor force. What has intensified this problem is the fact that the available investments have not been able to keep up with the annual increasing numbers in the workforce, considering that part of the investments has been channelled to create work opportunities in the service sectors, which absorb large numbers of workers, whereas the production sectors have not been able to expand at a rapid pace that enables them to absorb an effective part of the manpower due to the enormous size of the investments needed to create productive work opportunities.

Four Pounds for Manpower Planning

The reasons for the imbalance in the labor market include, according to Ahmad al-'Amawi, the duality in the tasks of the agencies concerned with manpower

planning, namely: The Ministry of Planning, especially the manpower and production efficiency branch, the Ministry of Manpower, the Central Organization and Management Agency and the Central Mobilization and Statistics Agency. Each of these four agencies relies on presidential and ministerial decrees in its planning. If we review the tasks of each of these agencies, we find that the lack of coordination and the overlapping of jurisdiction are the predominant characteristic. This leads to an astonishing waste of effort. [Much effort would be saved] if a single agency did the planning at the national level.

Labor Emigration to Outside World

Ahmad al-'Amawi also points out that one of the most important reasons for the imbalance in the labor market is the unplanned emigration to the outside world. Great numbers of skilled workers have emigrated to the oil countries in search of high wages, and this has created a shortage in skilled and agricultural labor.

Ahmad al-'Amawi adds that there is a number of problems connected with the manpower structure. This structure has developed a flaw for several reasons, such as the incompatibility between specializations and the agencies in which graduate specialists are assigned to work, the constant failure to meet the specializations needed by certain agencies and the presence of an excess and surplus of other specializations. Moreover, some agencies that request workers do not take into consideration in evaluating their needs the objective bases pertaining to the performance levels and the ideal size of the needed workforce. This has resulted in the phenomenon of disguised unemployment in the government sector. This is in addition to the fact that some graduates [words dropped] original, thus leading to the shortage of certain specializations in some governorates and the excessive presence of such specializations in other governorates.

Problem Is Laxity

AL-'UMMAL also interviewed Ahmad Dasuqi Khalil, deputy chairman of the General Union of Petroleum and Chemical Workers and the chairman of al-Qalyubiyah local union, who pointed out that the main reason for the skilled manpower shortage is laxity. Laxity is what has led to the entire evident imbalance being experienced by the Egyptian labor market. The lack of a national manpower planning is due fundamentally to the fact that the officials in charge of this planning are not performing their duty even though this is their fulltime job. [The Higher Manpower and Training Council], formed in accordance with decree No 795 of 1976, has the primary duty of formulating a national manpower and training policy.

This council includes in its membership 12 ministers representing the agencies concerned with manpower. Yet, the council has only met once throughout the past 5 years of its life just for the purpose of "getting acquainted" whereas the decree forming it stipulates that the council meet at least once every 3 months and whenever the need arises. Moreover, the council's duties also require it to draw up an annual report on manpower.

Is It Honorary Position?

Ahmad Dasuqi goes on to add: But if we talk of labor within a single establishment, we find that there is an excess of bureaucratic labor and a shortage of skilled labor. This in itself is a form of laxity on the part of an establishment's board of directors. How can the chairman of a board of directors know that there is a shortage of skilled labor and still permit such labor to go abroad? How can he know that he has an excess of bureaucratic labor and not organize transformational training for it, especially since there is in each establishment a general director of training? I do not know what such directors do. Is this a real or an honorary position or is it just a sign affixed to a director's office door?

8494

CSO: 4504/136

DETAILS OF NEW TAX STRUCTURE DESCRIBED, ANALYZED

Cairo AL-AHRAM in Arabic 10 Dec 81 p 6

[Article by Su'ad Murjan: "Under New Tax Law; How To Submit Your Tax Statement; What Does Employee, Doctor, Craftsman and Landlord Pay; How Are Taxes Calculated for Furnished Apartments, for Wages and for Profits of Noncommercial Professions"]

[Text] In a few days, 1981 will come to an end. With the start of 1982, taxpayers, whether subject to taxes on commercial or industrial profits or taxes on noncommercial professions or general income tax, will begin presenting their tax statements on their businesses, activities or incomes earned in 1981. The submission of these statements will end by the end of March for payers of taxes on commercial and industrial profits and taxes on profits from noncommercial professions and by the end of April for the payers of general income tax.

Dr 'Abduh 'Abd-al-Khabir, first undersecretary in the Ministry [of Finance] and chairman of the Tax Agency, says that the agency is eager to make the taxpayers aware of what is due them and what they owe in accordance with new tax law No 157 of 1981 before submitting their tax statements. The law requires a taxpayer who fails to submit his statement on schedule to pay an additional sum equal to 20 percent of the final tax.

Amendments in New Law

What are the amendments introduced in accordance with law No 157 of 1981?

First, tax on commercial and industrial profits:

It makes quarries [presumably meaning mines], oil installations, land reclamation establishments and projects to utilize livestock pens subject to taxes.

It makes profits generated by the leasing of mechanical, electrical and electronic equipment subject to taxes.

It makes real estate dispositions subject to a 5 percent tax (this is a set tax not subject to the general income tax). It also includes land within the cordon. Excluded from this tax are:

Real estate sold by an heir in the condition in which he has inherited it.

Real estate offered in-kind as a share in a joint-stock company, provided that the share is not sold for a period of 5 years.

Furnished Apartments

The law has amended the value of the actual rent of furnished apartments, with 50 percent of the rental value deducted in return for all the costs (this has replaced the old fixed categories). Furnished apartments are divided into tourist and nontourist apartments, provided that the rental value of the furnished apartment is not less than the rental value used as a basis to assess the value of the real estate tax in the following manner, depending on the date of construction of the property:

- A. Three times the rental value of places built before 1 January 1944.
- B. Seven times the rental value of places built between 1 January 1944 and 5 November 1961.
- C. Five times the rental value of places built after 5 November 1961 and before October 1973.
- D. Three times the rental value of places built after 6 October 1973.

For real estate outside the city cordon, the tax will be assessed on the basis of the actual profits, including both income and expenses.

Tax will be reduced by half for furnished apartments rented to universities, institutes and educational establishments for the housing of students. In implementing the provisions of this article, the taxpayer, his wife and his under-age children are considered as a single taxpayer when assessing the tax, unless it is proven that the right to rent has reverted to the wife or the under-age children by way of persons other than the husband or the father.

The law states that the tax on profits earned from activity carried out abroad is applicable, unless the activity takes the form of an independent establishment.

The law permits the carrying over of losses for 5 years instead of 3 years.

The law raises the deductible contributions from 3 percent to 7 percent [of income].

The law sets the graduated tax for [incomes] exceeding the limits for family exemptions at the following rates: 20 percent for the first 1,000 pounds, 23 percent for the next 1,000 pounds, 27 percent for the third 1,000 pounds and 22 percent for any sum beyond.

The law raises the family exemption to 720 pounds for a single person instead of the previous 600 pounds: to 840 pounds for a married person with no dependents or a single person with dependents instead of the previous 600 pounds; and 960 pounds, instead of the previous 600 pounds, for a husband with dependents.

The law exempts land reclamation installations for a period of 10 years as of the date on which the land is considered productive.

The taxpayer will pay the equivalent of 20 percent of the tax due on the basis of the final assessment in case he fails to file his tax statement on schedule. This is reduced by half if the taxpayer agrees to pay the sum without referring to the appeals committee.

Tax on Salaries and Wages

1. No taxes will be collected for hazardous work allowances not exceeding 240 pounds annually.
2. No taxes apply to representation or reception allowances not exceeding 3,000 pounds, provided that the allowances do not exceed the basic salary, recompense or wages. The law also stipulates that the total of the hazardous work, representation or reception allowances and production incentives exempted from taxes may not exceed 4,000 pounds annually.
3. The law deducts 10 percent of the total taxable income in return for payment of the general income tax.
4. The law deducts the taxpayer's life insurance payments, if they are for his benefit or the benefit of his wife or under-age children, provided that the payments do not exceed 15 percent of the total taxable income or 1,000 pounds, whichever is less.
5. The taxpayer may object to his tax assessment within 30 days, after which the tax authority will adjust his taxes or refer him to the appeals committee.
6. Exemptions, as for those in the commercial profits category [as published].

Tax on Profits of Noncommercial Professions

1. The tax applies only if the profits are generated from engaging in the profession or activity in Egypt.
2. The percentage deducted from the net profits in return for professional expenses is increased to 15 percent for writers, men of letters, authors, artists, members of the Writers Union and of the Authors Association, composers and members of the professional unions.
3. [Deductible] contributions are increased from 3 to 7 percent.
4. Losses incurred as a result of engaging in the activity can be carried over for a period of 5 years.
5. Family exemptions such as for those in the commercial profits and earned income category, without exception.

6. Exemption of the educational institutions, provided that they are subject to the supervision of a state or a public sector administrative agency.
7. In case no regular records are kept by the taxpayer, assessment of the taxable net profits will be done on the basis of the indications of income and of other evidence revealing the taxpayer's actual profits and costs of his profession; depending on the nature of each profession. A decree by the minister of finance will be issued defining these indicators and this evidence.
8. A tax deduction of 10 percent may be taken if the sum paid exceeds 10 pounds and is less than 500 pounds.
9. The tax rate for noncommercial professions is set at 18 percent for the first 1,000 pounds, 20 percent for the following 1,500 pounds, 25 percent for the subsequent 2,000 pounds and 30 percent for any sum beyond.

General Income Tax

In defining what is subject to taxation, the law introduces the following:

1. The law makes taxable the dividends distributed to individuals by the financial companies defined in Section 2 of this law.

As for stock and bond dividends distributed to individuals by the joint-stock companies owned by the public or private sector, the tax is determined on the basis of 50 percent of the dividends distributed, provided the securities are registered in the Securities Market.

2. It makes the silent partner's share of the taxable profits subject to taxation.
3. It defines clearly the special tax method on the basis of the method used originally to assess the special tax before deducting family exemptions.
4. The law exempts individuals with a net total annual income of no more than 2,000 pounds from the tax, excluding family exemptions.
5. The law has reduced the tax rate by making the highest rate 50 percent for incomes exceeding 75,000 pounds.

If the project has folded, the law allows for the following deductions from the total taxable revenues:

1. Sums paid by the taxpayer in advance under the special tax account, provided the sums paid are considered a revenue for the year in which the payment is made.
2. [Deductible] contributions are raised from 3 percent to 7 percent.
3. [Deductible] insurance payments are raised to 15 percent [of the income] or to 1,000 pounds, whichever is less.

4. The deduction of commercial, industrial and professional investment losses for the year in which they are incurred.

5. Added to that are the amounts paid by the taxpayer to purchase stocks and bonds or deposits to 20 percent of the net income, to a maximum of 3,000 pounds.

Tax Rate:

The first 2,000 pounds [of income] are exempted.

From the subsequent 2,000 pounds to 10,000 pounds: 8 percent for the first 1,000 pounds to which 1 percent more is added for every subsequent 1,000 pounds. From 10,000 pounds up to 50,000 pounds, 2 percent for each succeeding 5,000 pounds. From 50,000 pounds to 75,000 pounds, 32 percent for the first 10,000 pounds to which 5 percent is added for each subsequent 5,000 pounds. For more than 75,000 pounds, the tax rate is 50 percent.

8494

CSO: 4504/136

INFORMATION MINISTER DISCUSSES NEW MINISTRY'S PLANS, ROLE

Cairo AL-AHRAM in Arabic 19 Jan 82 p 6

[Interview with Minister of State for Information Muhammad Safwar al-Sharif by Mustafa al-Damrani: "Why Was Ministry of Information Abolished and Why Has It Reappeared; Realizing Principle of Abolition of Press Censorship or Even of Press Guidance; Movement To Redistribute Our Information Offices Abroad Will Take Place in February and Will Include 40 Offices in Various Countries"; date and place not specified]

[Text] In October 1978, the Ministry of Information was abolished. In January 1982, the Ministry of Information reappeared as a ministry independent of the Ministry of Culture. During this period, this ministry's responsibility vacillated between the minister of state for cabinet affairs at one time, the minister of state for culture at another time and the first deputy prime minister a third time. In light of the reemergence of this ministry and in light of the codification of the press as a fourth estate and of the formation of the Higher Press Council, the question raised is: What is the role of the minister of state for information, what is this ministry's relationship with the press establishment and is its role different from the role it performed in the past?

Muhammad Safwat al-Sharif, the minister of state for information, asserted in this interview that the age of press censorship, even of press guidance, has completely ended and that the role of the minister of information will be that of a sound and important liaison between the fourth estate and the executive authority with the aim of explaining viewpoints and achieving a spirit of cooperation between the two sides in the interest of public opinion, for which both the executive authority and the press establishments work. What I mean by this is that the channels between the two authorities should be as wide open as possible because, in my view, this provides the opportunity for clear and constructive action and for objective dialogue.

With the framework of the new Egyptian information strategy, Safwat al-Sharif said that the new foreign information movement will take place next February through the geographic redistribution of our information offices abroad. Moreover, a bill is being drawn up for the first information-diplomatic

corps operating within the framework of spreading our information policy in the world and contributing to developing information activity itself. At the same time, the bill preserves for the information worker his right to maintain the line he followed in his information-diplomatic job abroad so that he may not be surprised at the end of his legal term of service abroad by being returned to his first job, which is will have surpassed and which will be no longer compatible with his new experience in the field of information diplomacy. Internally, the minister has said, we will focus in our plan on the localities and on presenting local issues and problems through the new local radio stations that we will initiate first in the governorates with large populations. The problem of the inability of the Arab listner in all of the Arab countires to hear the Voice of the Arabs radio will come to an end with the construction of the new radio station. Those interested in religious affairs will also get their wish in their new radio station, the Venerable Koran.

As for television, with restoration of the remaining part of Sinai in April, we will begin installing the new equipment that we have imported from Japan so that television transmissions will cover all of Sinai. As for greater Cairo (Cairo, al-Jizah and al-Qalyubiyah), their daily problem will be presented to officials for solution on the new channel, Channel 3. This channel will also transmit lectures given at the colleges in these cities to the students, in addition to its new cultural, religious and social programs. Moreover, the Nile Information Centers will be spread to all the governorates in the wake of their success in solving the masses' problems.

Why Was Ministry Abolished?

At the outset of the interview, I said to the minister of information: People nowadays are asking frankly: Why this constant vacillation as to whether there should or shouldn't be a ministry of information? Safwat al-Sharif answered: "The Ministry of Information was abolished for the first time in the cabinet formed by Dr Mustafa Khalil in October 1978, and this was surprising. The opinion at the time was that we did not need a Ministry of Information and the philosophy behind the decision was that of avoiding any suspicion of interfering in the affairs and freedom of the press. That philosophy also called for amending the law concerning the Radio and Television Union as a national agency and for placing the Public Information Organization--which represents official information internally and externally--under the control of the minister of state for cabinet affairs. So matters moved in this direction. I still remember the enormous burdens with which Minister Sulauman Mutawalli found himself saddled, and which he carried [well]. By virtue of the publication law, the minister found himself responsible for supplying the press with newsprint, for the state subsidy to the Journalists Union Fund for pensions and services and for imported foreign papers and magazines incompatible with Egyptian customs and traditions." The minister also found that he was responsible for other situations that had to be dealt with and found that he had to play a role between the press and the government, either to resolve a conflict or to explain a policy. The same went for radio and television, which is a national state-run agency. It is true that law No 13 of 1979 relieved the minister of information of many responsibilities that had made him chairman of the Higher Radio and Television Union Council. With

the law on the Radio and Television Union, the radio and television agency came to have its own board of trustees to formulate its policies, draw up its plans and issue the regulations concerning it. Even with the union's financial and administrative independence and with the presence of an official to make sure of the union's abidance by this policy, to follow up its implementation internally and externally, to act as a liaison between the government and the union, to be constitutionally accountable to the People's Assembly, to explain and clarify matters to the Consultative Council and to determine the development priorities of the radio and television agencies in accordance with the state's information policy, which is underlined in and integrated with the state's policy for the political, social and economic development of society. Citing examples, the minister said: "What is the future of the television transmission to the remote stations, what is radio's future in the Arab or African area, what is its role in supporting the liberation movements and what are the priorities and policies for dealing with national issues? All these are policies that emanate from the framework of the state's information, political, economic and social plan, its comprehensive plan and its investment plan. The same applies to the creation of overseas broadcasts, high-powered stations and so forth."

All these reasons and all these numerous tasks have been behind the restoration of the Ministry of Information.

Society Is the Interested Party

Regarding freedom of opinion and counter opinion, Safwat al-Sharif said: "Society is the interested party and it has the right to debate its specialized and scientific vanguards. It is the right of society to know every decision and to express its opinion on the decision and on its impact on people in the street and at home. This is how true ties between policies and society are established. Thus, the decision makers are not isolated from their society and policies are not detached from reality and from society's needs. This is how participation in decisionmaking comes about so that society is transformed into a positive and participatory society and every Egyptian can find himself, determine his place and know how far his aspirations should go. For example, if the economic policy is presented clearly and truthfully, if it is discussed with specialists and experts and if the man-in-the-street expresses his opinion on it and we discuss it with him, then we will not build illusory bases. Consequently, social stability is achieved and the individual gets to know his role in serving his society and his daily role in streamlining consumption and in adopting new patterns. There is a big difference between our raising slogans and our adopting policies and making decisions. This is where the challenge for building society lies.

Criticism, Not Slander

Regarding freedom of expressions, Safwat al-Sharif said: "We are living in an important phase in the history of democracy and we must enter a new phase of progress in which all opinions and capacities participate.

"Criticism, in my view, is not for the purpose of personal libel. Criticism is not a personal dispute between an official and a journalist. Criticism may be disagreement over a policy or a performance affecting society's general interest. Therefore, the information we want is information seeking what is right and true--civilized and calm information expressed in a tone reflecting the self-confidence of the Egyptian people, who possess all the components of the present and future society, national information for all inclinations and ideas, open-minded information free of the complex of fear of dialogue and of the complex of reluctance to declare policies and to promote the message of information internally and externally and information that adheres to society's values and traditions out of its faith that it is an important partner in solving society's problems."

Our Foreign Offices

Answering a question on the external information movement, the minister of information said: "We are currently preparing a plan to bolster our information offices abroad through the Information Organization, by redistributing these offices geographically and recognizing excellent capabilities from among our information and administrative people to lead the work of these offices. This external information movement will be announced next February. Whoever has served 4 years abroad will return, taking into consideration the academic circumstances of the worker's children. These circumstances compel us to give the workers a grace period until July, the end of the academic year, so that they can settle their commitments and affairs."

Information-Diplomatic Corps

The minister of information added: "I, along with Muhammad Haqqi, the Information Organization chairman, will revive the information-diplomatic corps plan that I announced at the beginning of 1980, when I was the organization chairman, as part of the organization's comprehensive development plan. We will prepare a bill on this corps that will assure Information Organization personnel working abroad the same privileges from which the diplomatic corps members benefit."

New Public Opinion Center

Regarding the Public Information Organization's new role, the minister of information said: "The plan calls for internal information to play an important role in the coming phase in direct communication with society's base through public opinion leaders in the political, religious, educational, business and commercial spheres. The plan also calls for focusing the organization's role on entrenching the concepts of democracy through coordination with the radio and television agencies, on highlighting the issue of development and of family planning, on adult education and on eradicating illiteracy with a new concept that moves from eradicating the illiteracy of reading and writing to eradicating cultural, political and religious illiteracy. But the major role of the Information Organization will be realized through the foundation of a public opinion center on an advanced scientific basis to serve the causes of Egypt and of the entire Arab area and to help in making the right decision at the right time--a decision emanating from the people's needs and helping to solve the Arab society's similar problems, especially the problems of comprehensive development, of realizing democracy and of correcting the

components of the educational, cultural, informational and economic approaches to building man."

Our new plan also calls for completing the projects to build the new Nile Centers in the governorates. Through these centers, we will train the political, cultural and social cadres to interact with public opinion leaders in a scientific way free of propaganda. At the same time, these centers will be bolstered by international agreements so that they can play an effective role in planning, producing and managing successful propaganda campaigns concerning the problem of population and population growth. In the coming phase, the Public Information Organization will also open new press and information centers to serve foreign correspondents. The organization will also develop in a comprehensive manner the television press center."

The minister of information added: "I will be guided in my new internal and external information plan by the comprehensive study conducted by the Specialized National Councils for the period up to the year 2000. A large number of the councils' information committee took part in this study, which has been discussed in the presence of Dr Muhammad 'Abd al-Qadir natim, general chairman of the Specialized National Councils. We can rely on this study in formulating a long-range information policy."

Opinion and Counter Opinion

Regarding opinion and counter opinion on television and radio, Safwat al-Sharif said: "Our policy insofar as this agency, which is an official agency, is concerned is that it reflect state polciy. This is one side of the coin. The other side, and this applies to the radio [as published], is that it should provide the opportunity for all opinions, inclinations and ideas to discuss the policies objectively."

8494

CSO: 4504/173

PRESIDENTIAL DECREE ORGANIZES MINISTRY OF TOURISM, TOURIST ACTIVITIES

Cairo AL-JARIDAH AL-RASMIYAH [The Official Gazette] in Arabic No 53,
31 Dec 81 pp 3430-32

[Presidential Decree Organizing Ministry of Tourism]

[Text] Decree No 712 of 1981 by the President of the Arab Republic of Egypt
on organization of Ministry of Tourism

The President of the Republic,

After perusing the constitution,

Law No 27 of 1965 concerning tourist guides,

Law No 85 of 1968 concerning the Egyptian Chambers of Tourism Federation,

Law No 1 of 1973 concerning hotel and tourist installations,

Law No 2 of 1973 concerning Ministry of Tourism supervision of tourist areas,

Law No 38 of 1977 concerning organization of the tourist companies,

Presidential decree No 1951 of 1974 concerning organization of the Ministry of
Tourism,

And the approval of the Council of Ministers,

And in accordance with the recommendation of the State Council,

Has decreed:

Article 1

The Ministry of Tourism shall seek to contribute to developing the national
economy, to bolster human relations with the world's peoples and to strengthen
the citizens' awareness of their country's heritage and their bond to their
contemporary civilization through scientific planning for the comprehensive
development of tourism.

The Ministry of Tourism shall also seek to develop national participation in the tourist industry and to strengthen the bond and the integration between the various sectors connected with tourist activity.

Article 2

To achieve its goals, the Ministry of Tourism shall undertake the following:

1. Prepare general tourism development policies, outlining the methods for utilization of the available resources and the means to develop new resources within the framework of the national economic and social development policy.
2. Formulate the main policies organizing the various spheres of tourist activity in order to streamline performance and achieve coordination and integration between the various sectors and agencies connected with tourism in Egypt.
3. Prepare the general plans and the national programs for tourism development, determine the requirements and components needed for their implementation and exert efforts to determine the criteria and rates used as a basis in planning, followup and evaluation.
4. Conduct research and studies to familiarize itself with all aspects of tourist activity and of related resources and requirements and follow up on international and local developments in this activity.
5. Prepare initial studies and economic feasibility studies for tourist projects.
6. Propagandize new tourist projects and attract investors to participate in them.
7. Conclude international agreements in accordance with the laws in force and improve connections and relations with the international organizations and agencies concerned.
8. Hold local and international conferences and symposiums pertaining to tourist affairs and take part in the activities of international organizations with the aim of familiarizing them with Egypt's tourist resources.
9. Plan tourist information and supply information to those involved in the international tourist movement.
10. Strengthen relations with national and foreign tourist establishments and guide their efforts toward serving the country's tourism development goals.
11. Supervise tourist services and monitor the adherence of hotel and tourist establishments to the specifications and conditions set by the ministry.
12. Supervise development of [tourist] areas and build hotels and various tourist installations.

13. Follow up on the activities of the tourist companies and other travel agencies and hotel and tourist establishments to insure their adherence to the laws and regulations governing tourist activity.
14. Issue licenses for engaging in tourist activities in accordance with the laws and regulations in force.
15. Prepare plans and programs to develop and enhance technical and administrative capability in the various tourist establishments and vocations.
16. Draft and seek issuance of the legislation necessary to implement the ministry's general policy in the spheres of tourism, finances and administration.

Article 3

The Ministry of Tourism shall be formed in the following manner:

1. The minister's office and the advisory units controlled by the minister.
2. The tourist information, research, planning and development sector.
3. The tourist relations and services sector.
4. The general secretariat.

Article 4

The minister of tourism shall issue the necessary decisions concerning internal organization and the lower organizational divisions and their powers.

Article 5

Any provision conflicting with the stipulations of this decree shall be abolished.

Article 6

This decree shall be published in the Official Gazette.

Issued at the presidential office on 17 December 1981.

Husni Mubarak

8494

CSO: 4504/173

BRIEFS

TOURISM TO ISRAEL FACILITATED--[Report by Hayim Shapiro]--The red tape is finally unravelling for Egyptians wishing to visit Israel, according to Morris Cassuto, head of the Israel Government tourist office in Cairo. Cassuto, who was on home leave last week to prepare for the Israel festival due to be held in the Nile Hilton in May, said that the Egyptian Government is suggesting that its nationals who want to come to Israel acquire a second passport, so as to avoid difficulties if they go to other Arab states. He said 99.9 per cent want to have such second passports. But, he added, whereas in the past an Egyptian requesting such a passport faced numerous difficulties, the second passports are now being given out with relative ease within two to four weeks. He predicted that between 5,000 and 10,000 Egyptians would visit Israel this year. Cassuto would not comment on reports by other tourism sources that this number could be raised considerably were it not for the ban on Coptic pilgrimages to Jerusalem by their church. The Copts are boycotting Jerusalem because they claim ownership of the Dayr al-Sultan Monastery on the roof of the Holy Sepulchre, which is currently held by the Ethiopians. According to the tourist sources, about a third of Egypt's 10 million Copts would be potential visitors to Israel were the ban lifted. [Text] [TA140818 Jerusalem POST in English 14 Mar 82 p 2]

CSO: 4500/129

DRAFT OF LAND REFORM BILL PRESENTED TO MAJLIS

Tehran ETTELA'AT in Persian 1 Mar 82 pp 7, 13

[Text] The draft of the land reform and exploitation of arable lands bill was presented to the Majlis for the first round of discussions. Because of the importance of the bill, the complete text is provided below.

The Bill for the Revitalization and Transferral of Arable Lands

Section 1. Definitions, Terminology

1. The technical words, definitions, and terms employed in this law are defined as follows in regards to their implementation.

1. Agriculture: The use of water and land to produce plant and animal products (such as in farming, gardening, fruit and non-fruit tree planting, forestry and forest cultivation, and raising poultry, honey bees, and marine life).

2. Varieties of land.

3. Wastelands: Uncultivated lands which have never been revitalized or used and have remained in their natural form (natural wastelands).

4. Uncultivated: Lands which had at one time been revitalized but have not been cultivated for a period of more than five consecutive years from negligence or abandonment.

5. Productive: Revitalized lands which are being used continuously.

6. Large productive lands: Those which exceed more than three times the size which is the local custom.

7. Natural resources.

A. Natural forests or groves: Areas formed of vegetation (such as trees, shrubs, sapplings, grass, and moss) and animals, regardless of their evolutionary stage, with which human hands have not interfered in their creation or evolution.

B. Pastures: Lands, including mountains, slopes, or flat lands which are covered with natural grazing vegetation during the grazing season and which are commonly considered pastures.

Fallow lands are not included in the definition of pastures. A pasture with natural trees shall be called a wooded pasture.

C. Tree nurseries: Public man-made forests which have been created by the government.

D. Forest lands are referred to as undeveloped forests in the following two forms.

1. When the number of tree trunks, sapplings, or forest shrubs in each hectare separately or all together does not exceed 100.

2. When forest trees are spread out in such a way that their volume in every hectare in the north (from Astara Region to Golidaghi) is less than 50 cubic meters and in other areas of Iran, less than 20 cubic meters. (In the case of boxwoods, more than 30 cubic meters of boxwood trees shall constitute a boxwood forest.)

8. Reclaimed lands are those created as a result of the drying up of seas, lakes, or marshes or the change of river beds.

9. Coastal lands are those which are near a sea or lake or reclaimed lands and they will be considered as one of the kinds of lands mentioned in this law depending on the case.

10. Government and nationalized lands include registered and unregistered lands, cultivated and uncultivated lands, wastelands, lands in the public domain, lands formerly subject to the land reform, or any other kind of land that in one way or another will or will not be transferred to the government or that group of lands which the government has transferred to institutions, both governmental and non-governmental, actually or legally, and which, until the ratification of this law, have not been implemented in accordance with the related guidelines.

11. Retrieved (confiscated) lands: Industrially cultivated lands, semi-mechanized lands, and lands which proper courts have ruled should be retrieved.

12. Fallow: Those lands which remain uncultivated alternatively for a specific period of time in accordance with the local custom.

13. Religious endowment lands: Those which have been endowed by an individual or individuals and are divided into groups of special and general: (a) special and (b) general.

14. Family: Consisting of a head of the family and his dependents, who are considered one person.

15. Local custom: An amount of land needed for a farmer and his family to make a living, taking into consideration the family's potential ability, such that after planting and harvesting costs are subtracted, there will remain for him an amount equivalent to the daily wages of an urban worker (about 1,000 rials per day).

16. Other sources and means of income consist of those which would provide for such a family in keeping with their status.

Section 2

Considering Articles 3, 43, and 44 of the Constitution and the national economic policy of the Islamic Republic of Iran, which is soundly based on the principle of economic independence, and in order to achieve national self-sufficiency, which is primarily based on agricultural development and the correct utilization of arable lands in order to eliminate the poverty and deprivation of the members of the society and to prevent the uncontrolled migration of villagers, in accordance with the edict of Imam Khomeyni dated September 11, 1981, in which he recognizes the Majlis as the proper authority to determine need, corruption, and necessary legislation in these cases, the plan for the revitalization and transfer of arable lands ratified and to be implemented was determined to be necessary for a period of five years.

Article 1. Lands applicable to this law are of four kinds.

- A. Wastelands of national and governmental sources.
- B. Retrieved (confiscated) lands.
- C. Uncultivated lands.
- D. Large productive lands.

Article 2. Lands referred to in Paragraphs A and (B) [as published] are put at the disposal of the Islamic Republic and the government may use those lands mentioned below, taking into consideration the guidelines mentioned in Article 8, or they will be transferred to those who meet the proper criteria.

(1) Wastelands; (2) pasture lands and natural resources whose transfer is allowed, taking into consideration the interests of the society; (3) government lands in the public domain; (4) retrieved lands; (5) all lands that in one way or another have been transferred to the government, including those which are registered or unregistered, cultivated or uncultivated, etc.

Note. Fully mechanized and industrially cultivated lands whose distribution is not in the interest of the society must be put to proper use under the supervision of the Ministry of Agriculture. This ruling also applies to private, fully mechanized lands.

Article 3. Lands in Paragraph C. The government will give priority to their owners to develop in one agricultural season three times the land which is the local custom and it will purchase the surplus upon the ruling of a judge in order to transfer it for cultivation and use to individuals who meet the proper criteria. In any case, the fair price of the land will be given to the owner.

Note. In such cases that the excuse of the owner concerning the development of three times the land which is the local custom is justified, the time period may be extended upon the approval of the seven-member committee.

Article 4. Lands in Paragraph D. In the case of these lands, if the owner is personally directly involved or is at least involved directly and effectively in the management of the cultivation, three times the amount of land which is the local custom shall remain at his disposal. If the owner is not directly involved in working or at least directly involved in the effective management of the cultivation, if he has no other source of income, twice the amount of land which is the local custom shall remain at his disposal and if he has another source of non-agricultural income, all of the land shall be purchased from him based on a theocratic ruling and shall be put at the disposal of the Islamic government to be transferred to individuals who meet the proper criteria. The government shall reimburse the owner for the fair price of the land after his debts to the government treasury have been deducted.

Note 1. The transfer of land in accordance with the ruling of a judge shall be allowed in such cases where leasing is not possible.

Note 2. Animal husbandry lands shall not be subject to this law.

Note 3. The ratio of the amount of land and the number of livestock must be based on Ministry of Agriculture guidelines. The establishment of animal husbandry from April 15, 1980, must have the permission of the seven-member committee.

Note 4. Productive and non-productive religious endowment lands (special and general): That part of the endowed lands which can be transferred or used are to be leased or transferred to other branches by the seven-member committee, under the supervision of the Organization of Religious Endowments, in accordance with religious standards, and with consideration for the opinions of the benefactor.

Note 5. The transfer law shall not apply to those whose total amount of arable lands is less than four times that which is the local custom.

Note 6. Garden lands will not be considered within the limitation of three times the local custom.

Section 3

Facilities and Machinery

Article 5. Owners' facilities are of two kinds.

A. Agricultural establishments and machinery.

B. Non-agricultural facilities and machinery.

Paragraph 1. Agricultural facilities and machinery which are in excess of the legitimate needs of the owner and can be divided (in proportion to the amount of land) shall be transferred to the farmers by the ruling of a judge and the price shall be paid by them.

Note. The payment of the price of agricultural facilities and machinery to the owner shall depend on his being free of legal debts, which must be paid to the government treasury.

Paragraph 2. Non-agricultural facilities and machinery.

These kinds of facilities and machinery which are not related to agriculture, such as private homes, non-agricultural technical workshops, animal husbandry, and the like, shall remain at the disposal of the owner, taking into consideration the legal restrictions.

Section 4. Implemetary Organizations

Article 6. The Ministry of Agriculture, which is charged with the implementation of this law, shall be responsible for establishing in Tehran the central headquarters of the seven-member committees for the implementation of this law, which shall be made up of fully authorized, full time representatives.

1. The representative of the imam as the religious judge.

2. The representative of the Ministry of Agriculture.

3. The representative of the construction crusade, approved by the Ministry of Agriculture.

4. The representative of the Ministry of Interior, approved by the Ministry of Agriculture.

5. The representative of the Ministry of Justice, approved by the Ministry of Agriculture.

Article 7. The central headquarters of the seven-member committees shall be responsible for forming committees to implement this law and no other organization shall have the right to interfere or make decisions in this case.

Article 8. The committee in charge of land transfer shall consist of:

1. A representative from the Ministry of Agriculture.
2. A representative from the construction crusade.
3. A representative of the Ministry of Interior or the local governor-general's office.
4. A representative of the religious judge.
5. A representative of the Ministry of Justice or the local justice department.
6. Two committed individuals elected by the people of the village and approved by the representative of the Ministry of Interior.

Note 1. The above-mentioned representatives shall be presented to the central headquarters and shall be appointed if approved by this headquarters, with the exception of the representative of the religious judge, in which case the opinion of the religious judge alone shall be valid.

Note 2. All regulations, bylaws, and guidelines shall be announced by the central headquarters of the seven-member committees. The committees shall be responsible for the precise implementation of the guidelines and regulations issued by that headquarters. In the case of deviations, the central headquarters shall report the deviant to the proper authorities for investigation and the issuance of an appropriate ruling.

Section 5. Transfer Guidelines

Article 9. Priorities

Paragraph 1. Lands. In transferring land, if the amount of land in Paragraphs (A), (B), and (C) is not sufficient for the applicants, the lands in Paragraph (D) will also be subject to transfer.

Paragraph 2. Individuals. In transferring land, priority shall be given respectively to rural farmers without or with little land, to settlers with no or little land, and to agricultural graduates and other individuals interested in agricultural work.

Note 1. In transferring lands in Paragraph (C) and Paragraph (D), priority shall be given to the descendants of the owner, if they meet the proper criteria.

Article 10. The transfer of land shall be first for a period of five years and later, if the results are favorable, the land shall remain permanently at the disposal of the farmer, provided that he adheres to the following conditions.

1. The use of the land shall be in the form of joint ownership in joint ownership production units in order to create proper production cooperatives by properly servicing them, except in exceptional cases, which shall be determined by the implementation authorities.
2. The cultivation of the land shall conform to what is common in the area and the land shall not remain idle without proper justification.
3. Work on the land must be such that it does not waste the land.
4. Cultivation of the land must take into consideration the needs of the society.
5. Transferred lands may not (officially or unofficially) be transferred, bought, or sold, except with the permission of the government.
6. The receiver of the land must work personally on the land and be a local resident, except in exceptional cases, which shall be determined by implementary authorities.

Note 1. Deviation from these guidelines shall end access to the land and shall make the farmers responsible for payment of damages.

Note 2. The above-mentioned termination of access shall be done by the implementary authorities and a report shall be sent to the central headquarters.

Section 6. The Duties of the Seven-Member Committees

Article 11. The most important duties of the committees are as follows.

1. Resolving quarrels which are created strictly by the implementation of this law.
2. Transferring land, taking into consideration the priorities and related guidelines provided in this law.
3. Determining the eligibility for the amount of loans and agricultural resources for farmers who are given land in the course of the implementation of this law.

Article 12. The necessary budget for the implementation of this bill and the purchase of lands in the current year shall be provided from the 40-billion-rial special budget for the headquarters and committees and in future years, it shall be allocated in the annual budget.

Article 13. This law shall replace the law for the transfer and revitalization of land in the Islamic Republic ratified on April 15, 1980, by the Revolution Council of the Islamic Republic of Iran and with its ratification, all the laws and implementary bylaws contrary to this law shall be null and void.

IRAN

LIBYA'S QADHDHAFI PLEDGES TO SUPPORT 'IRANIAN BROTHERS'

Tehran ETTELA'AT in Persian 20 Feb 82 p 16

[Text] Tripoli--ISLAMIC REPUBLIC NEWS AGENCY--Dr 'Ali Akbar Velayati, Iran's foreign minister, has traveled to Libya at the head of a delegation. After his arrival on Wednesday he met and talked with Col Qadhdhafi, Libya's leaders. During the meeting, relations between the two countries and the adoption of joint positions against imperialism and Zionism were discussed and studied.

As Velayati continued his visit, he met and talked with Nur Masavari, leader of the Moro National Liberation Front (of the southern Phillipines), who is now staying in Libya.

At the end of his visit with Moro Liberation Front officials, Dr Velayati said to correspondents: In this meeting we explained the position of the Islamic Republic of Iran in support of Muslims in the southern Phillipines, and we stressed that the Islamic Republic of Iran is continuing its support for this front. They acknowledged these facts and were grateful since the Islamic Republic of Iran has supported them from the beginning of the revolution's victory.

Meeting with 'Abdolsalam Jalud

On Thursday afternoon Dr Velayati met and spoke with Major 'Abd-al-Salam Ja'lud, Libya's prime minister [sic].

Others present at the meeting included: Lavasani, the foreign ministry's general director of Asian and African affairs, Shamlu, future ambassador of the Islamic Republic to Libya, Khorram, charge d'affaires of the Iranian embassy in Tripoli, several political advisers from the foreign ministry, 'Abdol'ati Al'abidi, the Libyan foreign minister [sic], and Sa'ad Mojber, Libya's ambassador to Tehran.

At the end of the meeting, Velayati was interviewed concerning issues brought up by the two sides, and said: The first matter raised in this meeting was Iraq's imposed war on Iran, and the victories of Islam's troops. The Libyan foreign minister, while once again announcing his country's support of the Islamic Republic in every area, stressed the continuation of the struggle until final victory.

Dr Velayati added: In the meeting we also discussed and exchanged views on methods of cooperation between the forerunning OPEC members in relation to petroleum, methods of confronting the daily increasing and destructive influence of U.S. imperialism in the region, and the Islamic Republic of Iran's cooperation with members of the Steadfastness Front and all Muslim countries in confrontation with Israel. Authorities of both countries stressed that any peaceful solution which leads to the degradation of Muslims must be rejected and struggled against.

He added: Officials of both countries concurred in their views on the rejection of the Camp David Agreements and other similar plans.

Velayati then stated: In these meetings we stated our view concerning holding the future conference of leaders from the non-aligned countries in Baghdad, and the reasons for our opposition to it. We stressed that Baghdad is not a suitable place to hold this conference, and that Saddam and the Takriti regime are not legitimate members of the organization of non-aligned countries. Libyan authorities agreed with us in principle in this area.

Continuing the interview, the Iranian foreign minister added: In our meetings with the Libyan prime minister we also discussed expanding relations between the two countries in the cultural area, creating a joint news agency and using both countries' mass media to propagate Islamic learning in the three continents of Asia, African and Latin America. In these areas we reached preliminary understandings. He added: We also discussed and exchanged views with Libyan authorities regarding trade cooperation between the two countries and the elimination of our needs by using each other's resources as a means of reducing the level of supply from hegemonistic and superpower countries.

At the end of the interview, Velayati, regarding Iranian-Libyan petroleum cooperation, stated: In this meeting, while confirming prior agreements on petroleum technical personnel, we decided to not only continue talks in the petroleum area but in all areas until a definite outcome is achieved regarding the use of Iranian technical personnel.

Meeting with SWAPO Representative

Yesterday morning, as Velayati's Libyan trip continued, he met and talked with Nicky Pandulini Nashandi, representative of the South-West Africa People's Organization (SWAPO). According to this report, he was interviewed by the ISLAMIC REPUBLIC NEWS SERVICE field correspondent concerning this meeting which had taken place in Velayati's residence. Velayati said: In the meeting we noted that the Islamic Republic of Iran has been following the struggles of the people of South-West Africa, the SWAPO movement and the Namibian people, and that it hopes that your popular movement bears fruit and that the sinister shadow of the South African racist regime no longer falls on you. The SWAPO representative requested that a delegation from the organization come to Iran and set up an office there. I said: We will welcome a SWAPO delegation whenever it wishes to come to Iran, and as for the opening of an office, I will give you an answer after consulting with other authorities.

Agreement Signature

Yesterday evening Dr 'Ali Akbar Velayati, foreign minister, and 'Abdol'ati Al'abidi, the Libyan foreign minister, signed a cultural agreement and two memoranda of understanding in the economic and commercial fields between the Islamic Republic of Iran and Libya. All Iranian and Libyan members of the delegation participated in the signing ceremony for the agreement and the memoranda of understanding. The ceremony took place in the Libyan foreign ministry. According to the ISLAMIC REPUBLIC NEWS SERVICE reporter's account, the cultural agreement included: Cultural, educational, scientific, propaganda and athletic exchanges. In the commercial field the signatories agreed to the expansion of mutual commercial exchanges. They also agreed to make facilities for importation of goods available and to exchange experience concerning their nationalizations of foreign commerce. The two sides further expressed interest in concluding a consular agreement, and they also resolved to study state aviation issues and air transportation between the two countries in the near future. They also resolved to reach agreements in the area of air transportation and the utilization of technical, educational and operational facilities. According to the same report, agreements were also reached regarding the exchange of information, and mutual inspections by technical and expert personnel. It was also resolved to form a joint committee to examine and eliminate the two countries' economic, scientific and technical needs. The two sides also pledged to display their efforts towards advanced technology transfer, and to furthermore arrange scientific visits and prepare instructional and study resources for technical high schools.

9597

CSO: 4640/178

COMPULSORY ISLAMIC COUNCIL MEMBERSHIP FOR STUDENTS ABROAD

NC251456 Voice of Iran (Clandestine) in Persian 1805 GMT 23 Mar 82

[Text] All students abroad will be compulsory members of Islamic councils. A Voice of Iran correspondent has reported that on the basis of a plan prepared with Khomeyni's approval by Sheykh Ma'adikhah, the Islamic guidance minister of the mullahs, henceforth students abroad who are not members of the Islamic councils affiliated with the embassies will not be considered as students. Our correspondent's report states that at present there is a difference of opinion on this between the Ministries of Islamic Guidance, Higher Education and Foreign Affairs. In opposition of Sheykh Ma'adikhah's insistence, officials of the Foreign Ministry consider this plan inapplicable as it will actually cause further hostilities to the Islamic Republic. Officials of the Ministry of Higher Education have also said that the compulsory membership of all students in Islamic councils will cause infiltration of opponents into these councils and also that the status of student cannot be denied to any youth because of nonmembership in Islamic councils. Nevertheless, Sheykh Ma'adikhah's plan has been compiled with Khomeyni's agreement, and approval is certain. Our correspondent says that on the basis of this plan foreign exchange will be sent only to students who are members of the so-called Islamic councils and, therefore, the sending of foreign exchange to Iranian students abroad will be made officially dependent on membership in Islamic councils.

We wish to recall that Sheykh Hoseyn 'Ali Montazeri had proposed to the clerical government on the eve of the new year that Islamic councils affiliated with embassies be financially strengthened as much as possible and that sending foreign exchange to students who might be opponents of the Islamic Republic (?be prohibited).

CSO: 4640/215

SHAH PRAISES ARMED FORCES AT WAR

NC241748 Voice of Iran (Clandestine) in Persian 1805 GMT 23 Mar 82

[Unattributed commentary]

[Summary] Compatriots: Even though we have repeatedly spoken about the war with Iraq, we nevertheless feel that more should be said and more should be revealed. Others, too, have spoken about this from their own different outlooks, "but that which was said in a few short sentences in a message to the people on this long war may be the most expressive statement by a national and patriotic leader. In his New Year's message, Reza Shah II said: Unfortunately, among all its calamities our country is today facing a destructive foreign war imposed on the Iranian nation because of the existing regime. Of course, the ruling regime does not regret the sacrifices and damages brought upon the Iranian people by this war, because it has used this national battle as the best pretext to continue its rule. But the Iranian people, especially our brothers in the armed forces, are not fighting for the alien regime, but to defend their national sovereignty and honor. They will continue this national battle with a pride-emanating bravery, which is a source of honor for all of us until final victory.

"These short sentences, even though brief, express the clear reality that the regime has always tried to hide with all its might from our nation and to pretend with its unceasing 24 hours of propaganda that all the sacrifices, selflessness and devotion of the brave children of Iran, and especially of the combatants of the Iranian armed forces, are for the alien regime--the regime that is hostile to the army and kills the people--and to satisfy the great imam, the leader of the anti-Islamic and non-Iranian fascist republic."

The regime pretends that the oppressed nation's sacrifices are an offering of its gratitude to the big and small mullahs. However, "their propaganda is so demagogic and their remarks so idiotic that even the most naive people are very well aware of the deceitful nature of such propaganda and remarks."

If Khomeyni sends a message to the brave Iranian fighters and "hypocritically tells them that I kiss your hands and am proud of them, even elementary school children know what slyness lies beneath this deceit. The question that rises in their minds is why did the imam of the 'Umma say nothing of the homeland,

nation and armed forces until before the start of the war?" Why is it that all the hostilities displayed against the Iranian youth and armed forces were suddenly replaced with flattery? Hasn't the regime taken the battle being carried out by the respectable children of Iran as a pretext to continue its rule of oppression? "When this national battle ends with victory and the Iranian armed forces aim their guns at Iran's internal enemies, will Mr Khomeyni kiss their hands again and be proud of these kisses?" Undoubtedly, Khomeyni has not done so today nor will he do so in the coming days, because he is well aware "that for the Iranian armed forces the positions of national struggle inside the borders and with the internal enemy are as vital and holy as is the battle on the fronts with the foreign enemy. Khomeyni is well aware that immediately after this destructive war's flames die down, the selfless men of Iran's armed forces will join their friends and comrades in arms, will accelerate the war of destiny and will take full vengeance on the false imam and the other false imams." Flattery and deceit can continue and the regime can speak of not stopping the war unless the Iranian people's rights are gained. But these false imams will continue to plug their ears to such questions as whether they are the ones who have turned their chests into shields on the flaming war fronts and whether they are the ones who are sacrificing their lives for national respect. If this is not the case--and it is not--then why don't you, false imams, give up your ranks and positions and don battle uniforms so you will have played a small part in defending the country?

Gentlemen, you should know that you may be able to fool some naive people, but you cannot fool the majority of the nation. "The respected Iranian soldiers are well aware of your sly and dastardly nature and one day--not very far away--they will finally force the reality into your satanic brains that their manly war with the aggressors was a battle to defend Iranian respect and to defend the respect of Iran's armed forces, not for the continuation of the disgraceful rule and not for the bloodthirsty regime that has created and encouraged fratricide. Yes, Iran's armed forces are fighting for Iran, for protecting Iran and for defending Iran's respect, and the Iranian soldier will be on the battlefield as long as there is an aggressor and an aggression. This and no more!"

CSO: 4640/215

WAR WITH IRAQ 'SERVING ISRAEL'S PURPOSE'

NC251325 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT
24 Mar 82

[Unattributed commentary]

[Excerpts] For more than 18 months now Khomeyni's Islamic Republic has been occupying the people's minds by regularly reporting on its conquests. However, nothing has changed and if Khomeyni's Islamic army was (?riding) [word indistinct], it must have been far from the country's western borders. However, in contrast to the exaggerated reports on great victories of the regime's censored radio, television and newspapers, war continues around Abadan, Khorramshahr, Shush, Ahvaz and Dezful and no perceptible change has taken place on any front.

(?Has the time not come) for each and every Iranian to ask why we are at war? Shouldn't the question be asked why we are tolerating so many back-breaking losses? Why are we sending thousands and thousands of our country's youths to their deaths? Why are we paying with our lives for all these pains, miseries, calamities and afflictions? Because, as Iraq's Deputy Prime Minister Tariq 'Aziz has said, if each Muslim [words indistinct] wants to find an answer to all these questions, then there is only one--that in the struggle started by Khomeyni's Islamic Republic against the Arabs and therefore against all Muslim Arab countries, no other objective is pursued but that of Israel. It is Israel that wants to distract the Arabs' attention from the Palestinian issue and plunge them into other problems and difficulties.

This very morning Israel's ambassador in Paris said in an interview with Radio Europe One: Why do you pay so much attention to the problems of Samaria and Judea--meaning the part in occupied Jordan? Why do European and U.S. radio and television networks pay so much attention to the killing of two Arabs by the Jews, and why don't you turn your attention to Iran? In the Iran-Iraq war 100,000 Iranians and 50,000 Iraqis have been killed. Why don't you turn your attention to them?

These are the words of the Israeli ambassador to France this morning and it is no coincidence that Khomeyni's forces carried out the large attack code-named "Fath" precisely on the day when the municipalities in the occupied

territories of Jordan were occupied by Israeli forces, the mayors of these areas fired and several people killed or wounded.

Khomeyni's Islamic Republic has actually opened a second front in the Middle East to diminish the Arabs' pressure on Israel and to send groups and groups of our people to the slaughterhouse of the war so that Israel can, with peace of mind, annex the Golan area, consider the eastern section of Jerusalem--like the western section--as its own and declare it Israel's capital and, finally, it can try to force the inhabitants of the occupied territories to surrender to Israeli laws and rules and (?to destroy hopes) of some day establishing the independent Palestinian state on these territories.

It is for these reasons that Khomeyni's regime is continuing the war with Iraq. Of course, there are other reasons, too, namely the numerous difficulties and problems that stem from internal crises. This is something about which we will talk later.

However the [word indistinct] point is that Iraq has always been a great nuisance for Israel, and Khomeyni has today thrust himself forward to give Israel peace of mind with respect to the country it feared on its eastern borders. It is not difficult to understand why Khomeyni has thus raised the banner of struggle (?against) the Arab countries. His calculation is very simple. Any doubts whether Khomeyni's Islamic Republic colluded with Israel have been dispelled following the crash in the Soviet Union of the Argentine plane carrying Israeli arms, followed by articles and reports in Israeli newspapers saying that: Yes, we help Khomeyni's Islamic Republic because it is our enemy's enemy, and any enemy of our enemy is our friend.

There is no longer any room for doubt as from where all these games emanate and what motives have plunged our afflicted country into an adventure that will only end with shame, disgrace and bankruptcy. It is a pity that a nation can learn of these realities and not do a thing to save itself from misfortune.

Should Iran be turned into dust so that Israel--whose friend is the United States--can stand steadfast? We do not doubt that the answer by any respectable Iranian will be no. When these no's turn into a shout and rebellion, then the day has arrived when Khomeyni's Islamic regime will vanish forever and after 3 years of pains, miseries and calamities our people will free themselves from this heavy burden. That day--the day of our salvation--is not very far away and the time of this resurrection [words indistinct].

CSO: 4640/215

USSR SUPPORT OF KHOMEYNI DESPITE RUTHLESSNESS DECRIED

Athens I AVGI in Greek 11 Mar 82 p 5

[Text] In an article which appeared day before yesterday in the Moscow PRAVDA, Soviet support for the "Iranian revolution" is reiterated, while the paper simultaneously protests against certain activities in Iran inimical to the USSR. So far, so good. But who is referring today to the "Iranian revolution" and to the "legitimate right of the Iranian people to self-determination," as quoted in PRAVDA? Do the Soviet leaders ignore the fact that the very philosophy of the Islamic clergy governing Iran today does not even acknowledge the right of the people to "self-determination," and sets above that the right of the Koran and its interpreters? Are they not aware of the orgy of blood brought about by the present leaders of Iran, who are proceeding to the mass execution of the best sons of the Iranian people, the leftist warriors who fought against the tyranny of the shah (Mojaheddin and Fedayin) under the stereotyped accusation of "waging war against God?" How is it possible, then, that the leadership of a great country such as the Soviet Union, which claims the title of ideological defender of socialism, of freedom and "proletarian internationalism" can remain so obviously deaf to the tragedy of an entire people who is being oppressed by the destroyers of the ideals and the goals of the Iranian revolution, while caring only for the existence of good relations with the executioners? We can understand the national interests, but when these become the supreme goal above any ideology and above the struggle of peoples for freedom, then the disappointment and the reactions of entire popular movements vis-a-vis Soviet policy become quite understandable. Moreover, PRAVDA's assertions that the presence in Afghanistan of "a limited number of Soviet military personnel" (!) cannot constitute an obstacle to good relations between the USSR and Iran have surely an ironic tone: because the methods of contempt toward peoples in the name of national interests that go as far as armed intervention of the Afghanistan type have, in addition to everything else, the kind of consequences that are and will continue to be a sad trial for Soviet foreign policy itself.

CSO: 4621/240

BRIEFS

RUHANI CALLS FOR REVOLT--Ayatollah Ruhani, the Shi'ite leader in Europe, in his message on the occasion of Nowruz and the new year says that the ruling regime in Iran is anti-Islamic and antihuman. He added that it is a religious duty of Muslims and especially Shi'ites to revolt against this bloodsucker and murderer regime that has stained the name of Islam and the Shi'ite sect in the world and is acting against all religious principles. Ayatollah Ruhani said that obedience to the present regime that is trying to destroy Islam is like obedience to apostasy and atheism. Protesting against this regime--whose every action is contrary to divine laws--is a religious duty of every Muslim. [Text] [GF220730 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 21 Mar 82]

TEHRAN CLASH REPORTED--On the occasion of the new year, 1361, people across the country celebrated the long enduring Iranian tradition of the Haft Seen Table [traditional Iranian new year ceremony] last night. People from all strata of society have gone to each other's houses and greeted each other in this ancient tradition. In the first hours of the morning the mercenary guards of Khomeyni attacked the house of armed combatants on Yusefabad Avenue. In the clash eight guards were killed or wounded. It is said that five of the armed combatants were martyred as well. In the armed clash that lasted over 6 hours tens of guards from various Tehran committees were involved. The armed combatants fought to the last bullet against the mercenary Khomeyni guards and bloodied many of them. The armed combatants have declared the first day of the new year as the beginning of the wide-spread armed battle against Khomeyni's regime until the fall of the dictatorship. We have not yet received details of this clash from our correspondent but will let you know the details in future programs. [Text] [GF211801 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 21 Mar 82]

SUMMARY EXECUTION ORDER--Khomeyni's Revolution Guards today claimed that seven combatants and members of the Mojahedin-e Khalq were martyred in an armed attack. The Revolution Guards Corps has not mentioned the time and place of this clash in its announcement and has not stated how many Revolution Guards were killed in these clashes. Recently by virtue of confidential orders sent by officials of Khomeyni's regime to the strike units of the Revolution Guards Corps, Khomeyni's corps are to execute members of antiregime organizations, namely of the Mojahedin-e Khalq, immediately after arresting them and to then claim that these people were killed during clashes. [Text] [NC231708 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 23 Mar 82]

OPPOSITION LEADER'S MESSAGE--Dr Mehdi Pirasteh, one of Iran's political dignitaries who is living in Canada, has issued a statement calling on the Iranian people to inflict a strong blow on the Xenophiles ruling Iran by observing the traditional Nowruz customs. Dr Mehdi Pirasteh leads the National Liberation Organization of Iran and is working active in Canada against the present Tehran regime. Dr Pirasteh says in his message: May God forgive our past guilt of ingratitude and may He have mercy on us. [Text] [NC231635 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 23 Mar 82]

KHOMEYNI MURDER PLOT--A Free Voice of Iran correspondent has reported that the Khomeyni regime's claim on the discovery of a coup d'etat to overthrow this regime and the arrest of 25 military commanders and civilians is a lie made and polished by the Revolution Guards and that basically there is no organization called Nima in Iran. Our correspondent says that Khomeyni's Revolution Guards every once in a while claim to have discovered a coup plot in order to arrest armed forces officers and to carry out "so-called" purges so that they can use this as a pretext and send more officers to the gallows. Yesterday Khomeyni's lie-disseminating regime claimed that a 25-man group affiliated to Nima organization that intended to bomb the residences of Khomeyni and of regime officials and to then overthrow the clerical regime have been arrested. The Revolution Guards Corps said that this group is formed of monarchists, National Front members and feudals and claimed that it has discovered its plans and plots to overthrow Khomeyni's regime, but it did not present any document to prove this. So far Khomeyni's regime has claimed to have discovered coup plots more than 16 times and each time on this pretext it has executed a number of military personnel. [Text] [NC231703 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 23 Mar 82]

DELEGATION TO SYRIA--A delegation arrived in Damascus to hold talks with officials of Hafiz al-Asad's regime in Syria. The (?40-man) delegation will discuss possibilities for cooperation between Iran and Syria with officials of Hafiz al-Asad's dictatorship. Hafiz al-Asad is the Soviet puppet in the Middle East and cooperates with Khomeyni's regime on the Kremlin's orders. Recently, the Muslim people of Syria rebelled against Hafiz al-Asad's regime and the puppet government of Syria's security forces bombed Hamah and massacred thousands of Muslims of that country. Khomeyni's Foreign Minister 'Ali Akbar Velayati strongly criticized the Muslim Brotherhood of Syria [words indistinct] against Hafiz al-Asad's government [words indistinct]. It should be recalled that the Feda'iyān-e Eslām Group, led by Sheykh Sadeq Khalkhali, is a branch of the Muslim Brotherhood. [Text] [NC241112 Free Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 23 Mar 82]

BANK GOVERNOR TO LIBYA--According to IRNA, Mr Mohsen Nurbakhsh, the governor of the Central Bank of Iran, left for Libya at noon today at the invitation of the governor of the Central Bank of Libya for a formal visit. According to the same report, during this visit economic and banking cooperation and the preparation of the necessary grounds for the expansion of commercial and economic relations between the two countries will be discussed. [Text] [LD241310 Tehran Domestic Service in Persian 1030 GMT 24 Mar 82]

WHEREABOUTS OF HOSEYN FARDUST--Our correspondent in Paris reports that finally after months of silence Hoseyn Fardust, an archtraitor of the Iranian nation, has been tracked down. It has been discovered that he is in one of Paris' hospitals being treated by Dr (Cartier), a famous plastic surgeon and burns specialist. Fardust arrived in Paris about a month ago traveling under a diplomatic passport and using the pseudonym Colonel (Zarrineh). The reason for sending him to France is severe burns on his face following the explosion at the Prime Ministry in which Raja'i, Bahonar and a number of Khomeyni's close associates were killed. Both of Fardust's eyes were injured and one of his legs was fractured in the explosion. [Text] [NC241845 Voice of Iran (Clandestine) in Persian to Iran 1500 GMT 24 Mar 82]

METHODS TO IDENTIFY OPPONENTS--Two members from each of the Islamic Republic's embassies in France, the FRG and Britain have been (?recalled) to Tehran from Paris, London and Bonn to identify Iranians arriving at Tehran's Mehrabad Airport from those countries. (?These embassy officials) do not know the names of all opponents but can identify them. Pictures taken at various demonstrations staged by opponents of the Islamic Republic in European countries are used to identify them at Mehrabad. [Text] [NC251520 Radio Iran (Clandestine) in Persian to Iran 1330 GMT 25 Mar 82]

REGIME TO TAX BAZAARIS--The Islamic Republic, which is facing economic difficulties from all directions, (?has decided) to impose heavy taxes on the bazaaris in a bid to cover its expenses. Bazaaris who refuse to pay these unjust taxes or are unable to pay these taxes [words indistinct]. The large majority of the bazaaris who supported Khomeyni at the start of his adventure today oppose the Islamic Republic. [Text] [NC251646 Radio Iran (Clandestine) in Persian to Iran 1330 GMT 25 Mar 82]

CLERGYMEN IMPRISONED--A Radio Iran correspondent in the Islamic Republic has reported that there are more than 1,000 clergymen imprisoned in Qezel Hesar Prison in Karaj alone for opposing the regime. The precise number of clergymen in other prisons is not available, but reports received from (?Tabas, Sari and Isfahan) speak of vast arrests of clergymen who oppose Ruhollah Khomeyni's crimes. A [words indistinct] clergyman told a Radio Iran correspondent during an interview that in view of the crimes committed by Khomeyni's clique, the future of clergymen in Iran is extremely bleak. He said that after the (?certain) fall of the Islamic Republic, many respectable clergymen who (?had no part in these crimes) will inevitably pay for the crimes committed by people like Khalkhali and Reyshahri. [Text] [NC251642 Radio Iran (Clandestine) in Persian to Iran 1330 GMT 25 Mar 82]

CSO: 4640/215

FINANCE MINISTER DISCUSSES CURRENT ECONOMIC POLICIES

Tel Aviv YEDI'OT AHARONOT in Hebrew 1 Jan 82 Weekend Supplement pp 1, 18

[Interview with Finance Minister Yoram Aridor, on the occasion of the civil new year by Yosef Shavit, date and place not specified: "Inflation Declined Without Radical Measures; We Will Continue the Process Next Year as Well"]

[Text] This week in the face of a group of inhabitants of Yamit who had it by the throat, the whole country stood powerless. Threats of "struggle even final confrontation with the government"--which were accompanied by setting houses on fire in that southern settlement, digging trenches, spreading piles of tires, acquiring helmets, shields and rubber truncheons--encountered a governmental reaction which was lukewarm, even conciliatory.

Whatever the conclusions about the size of the evacuation compensation--when and if this is reached--may be, the one who will finally have to pay the bill is, pure and simple, the finance minister, Yoram Aridor. I asked him: why did you not take a more aggressive position on this subject, at least like the one in your recent confrontations with the minister of education and culture.

Aridor: The main thing is not taking a tough stand or a flexible one, but taking the right stand. In my opinion, this was my position on several subjects with which I dealt, including the subject of compensation to those who were evacuated from Sinai. I called the attention of those who were involved with this to the fact that the total of the compensation to those evacuated from Sinai, according to the decision of the government in accord with the estimate of the Finance Ministry--amounts to more than 4 billion shekels. This is a sum 10 times larger than the one the government budgeted in the current year for settlement in Judea and Samaria. It is a very large sum and the government will pay it in conformity with the decisions it has reached. The price for this or any other financial expenditure from the state budget is not paid by the finance minister, but by the people of Israel. Therefore, I as finance minister, must be very careful that the people of Israel do not pay more than is absolutely necessary in any matter.

There Was No Deviation

[Question] Will you not be responsive--and not just partially so--to the claims of the people of Yamit beyond the 4 billion shekel limit?

[Answer] The government decided to stand by its earlier decisions on this subject. Also the Council of Ministers reached this decision--and there was no deviation from these decisions.

[Question] It is difficult not to get the impression that the lack of a forceful response by the government to the preparations for violence in Yamit attest to weakness on its part.

[Answer] The governmental reaction was that those who were in Sinai would be evacuated by the date set, a point on which the government of Israel committed itself in the peace agreement with Egypt. This date has not yet come. As for civil offenses, they will be handled in accordance with the decision of the authorities responsible for them. For this reason, there is no need for a governmental decision.

[Question] Do you not think that a lenient policy towards Yamit will necessarily encourage extortion in labor relations in the economy?

[Answer] I do not see a connection between these things. But I can point out with regard to government policy during the time I have been finance minister, that policy has not deviated even once from the framework agreement for the economy, not before the elections and not after them--and policy will not deviate from it in the future either. As to the negotiations on the new wage agreements, we have stated our position that we should go over to a system of total cost of living increases which would stabilize real wages and wage supplements in conformity with the increases in a given period.

[Question] Do you really believe that you will be able to realize this despite the vigorous opposition of the Histadrut?

[Answer] It is very strange that Mr Meshel opposes a policy aimed at defending the workers against inflationary wage erosion. If Mr Meshel's demands were fulfilled, we would succumb to rising inflation and he would succeed also in producing unemployment. We will defend the workers from the secretary general of the Histadrut and we will insist that the policy of the government be carried out despite the fact that he is trying to drag the economy into anarchy.

[Question] The heads of the Histadrut are claiming that there is a total break between you and them. Do you see your relations with the Histadrut in this light?

[Answer] I have met with official representatives of the Histadrut who wanted to meet with me, including Mr (Kaiser). It was a meeting on employment matters. There is no hindrance to meeting with Mr Meshel, if he should ask. But I do not accept inquiries like that via the news media. I am aware that Mr Meshel is

threatening to intensify the struggle. This means that he is trying to cause labor trouble artificially, needlessly. The situation of the workers has improved in the last year. Real wages have gone up. What has not improved is Mr Meshel's situation. But this is no reason to punish the state of Israel. Recently we have been subject to sanctions by the U.S. government and we have been holding up under them. We will hold up also under the sanctions with which Mr Meshel is threatening us. The workforce does not belong to the secretary general of the Histadrut - and he is no longer "the master of the house" in the state of Israel.

Imaginary Hypotheses

[Question] You mentioned the American sanctions; are they already being felt on the economic plane?

[Answer] I think that it would be best at this stage not to talk too much about the economic significance of the American measures. The political significance is clear--and the reaction of the government of Israel to this was given by the prime minister, a reaction of which every Jew can be proud. This reaction will not damage our relations with the United States because Washington must know what we think and what our position is, without any ambiguity, in a situation where they are working against us in a punitive way that is unacceptable among friendly states.

[Question] Has the conduct of the prime minister over the legal matter in the Golan not placed Israel in danger in the economic sphere?

[Answer] The calculation in connection with the Golan Heights was more than a temporary economic one. It is a political, security and national calculation. I remember that before the Yom Kippur War they economized on the mobilization of certain reserves because of economic considerations.

[Question] How and for how long could the state maintain its position without American aid?

[Answer] This question comes from the realm of the hypotheses and terrors through which we are now going. The State of Israel enjoys American support. We are grateful for this support and there is no reason to deal with imaginary hypotheses.

[Question] The prime minister has declared--according to quotations in the news media--that if economic sanctions are imposed against us, he will turn to the people and will ask, do you want to return the Golan or are you willing to be content with bread and margarine? Is it likely that two such alternatives will emerge?

[Answer] The prime minister's question serves only to emphasize the importance of the Golan Heights as part of the State of Israel--an emphasis with which I agree.

[Question] Not long ago there was a report about organizing in the Herut Party around the slogan "Yoram Aridor for Chief." The next day a story was out that

you had asked that group to refrain from further activities of this sort. Was all of this organization really carried out without any coordination with you or even without your knowledge?

[Answer] I had no information at all about people organizing to put me forward for the most senior position in the Herut party. I have announced several times and I repeat: I have no desire for that position, I have no such ambitions. I have requested--and I am requesting--of all of my friends, not to link my name to this subject. In general, it is strange to me that they are talking about this. The prime minister, Menahem Begin, is the head of the Herut party; he has led us in two electoral victories, and I am sure he will lead us in future also.

[Question] You declare again and again that you do not aspire to be the number one man in Herut. But let us take a theoretical situation in which, for some reason, the number one slot becomes vacant. Even in such a situation you would not see yourself as a candidate for this position?

[Answer] My answer was directed precisely at that theoretical situation.

[Question] For a long time people claimed that your weak point in Herut was that you had no "cohorts." What is your situation in this regard today?

[Answer] I have no "cohorts" in Herut, but I have friends--and that is the main thing. From this friendship I draw my strength to attend to the difficult task which has been entrusted to me.

[Question] Recently people have been talking about an Aridor-Levi bloc as a counterweight to Arik Sharon. How serious is this?

[Answer] I have a friendship of many years standing with David Levi and also with other friends.

Organized Staff Work

[Question] In the upper echelons of the Finance Ministry people are complaining about the absence of team spirit and about excessive centralization on your part. Senior officials claim they are not brought into the decision-making process. Is this a calculated system of work or is it a product of your personality?

[Answer] I know of no such complaint. There is no basis for such talk. We have regular consultations and discussions--and decisions are made with the participation of all involved in the issue. Whoever claims it is otherwise is apparently really outside the upper echelons of the Finance Ministry. It is true that discussions are short and to the point.

[Question] Could you describe the process by which you make decisions?

[Answer] In the process of decision making, all those who have some connection with the subject participate. If I have a preconceived opinion, I ask first of all to hear the arguments against my opinion because of course, I already know

the ones supporting my view. I encourage presenting opinions contrary to mine in order to be certain that all of the arguments have been weighed. There is thorough ground work in the preparation of documents and gathering of material. There are also inter-office consultations when necessary. I encourage the staff of the Finance Ministry to weigh the relevant economic considerations without taking peripheral considerations into account.

[Question] Since October the post of Governor of the Bank of Israel has been vacant. Is this due to the fact that you have not found a man to your taste who is also a significant economist of high repute?

[Answer] The appointment of the governor is made by the government. It is not a matter solely for the finance minister. I must try to obtain as broad an agreement as possible on this subject. Clarification of this is in progress and I hope that soon the requisite agreement will be reached.

[Question] Does the present situation, in which there is no Governor of the Bank of Israel harm the economy?

[Answer] I am not aware of any harm to the economy since Mr Gafni left.

[Question] On the eve of the elections there was talk of Ya'akov Meridor as a candidate for Super Economics Minister. The upshot was that he was appointed economics minister and minister for inter-ministerial coordination. What do you actually coordinate with him?

[Answer] Between the economics minister, Ya'akov Meridor, and me, there is full coordination and I get help from him in many different fields. I am very happy with the cooperation between us.

[Question] Do you know anything about his secret invention?

[Answer] I know nothing about the subject.

An Achievement on an International Scale

[Question] On the basis of the recommendation of the Finance Ministry, the Finance Committee of the Knesset this week confirmed an allocation of 240 million shekels, from the budgetary reserve, for talmudic academies of the Agudat Yisrael. How does this square with your demands for cuts in the general education allocation?

[Answer] The problem was one of improving the condition of the students of the talmudic academies in conformity with the coalition agreement; we must abide by this agreement. I would not say there is no room for cuts; let them cut the overall size of the budget. In this connection, I must emphasize that in contrast with the Alignment governments, the coalition agreement is out in the open, above board; the expenditure is being brought up for confirmation by the Finance Committee and is subject to inspection by the state comptroller.

[Question] Just now you spoke of the need for cuts. A few days ago, your deputy MK Hayim Kaufman stated that the number of workers in the tax system should be cut by about half. Why do you not take real steps along these lines as an example for other government offices?

[Answer] I have been told that he spoke about the tax collection apparatus and not exactly about the Finance Ministry. As you know there are collection apparatus for different purposes--the Treasury, the National Insurance, local government. Of course there is room for economizing or increasing efficiency by some consolidation of a part of this apparatus. But that is beyond the sphere of competence of the Finance Ministry alone.

[Question] During your term the governmental cash flow has set new records. Economists are of the opinion that if the funds are not quickly reabsorbed, an "explosion" of demand is in store for us, in the not-too-distant future, which will increase the rate of inflation. Are you planning new measures of absorption?

[Answer] We are continuously carrying out absorption measures. The measures taken recently in the form of savings plans which the Treasury has initiated have yielded fine results. It must be remembered that many "prophets" have been prophesying for close to a year that the economy will collapse, that inflation will increase, exports will decline, prosperity will decrease, unemployment will increase and that the economic holocaust is at the gate. They predicted that inflation would increase to 200, 300 or 500 percent immediately after the elections. But the truth is the opposite. The economy now, at the end of December, is in better shape than in December 1980. What happened is an achievement on an international scale: a decline in inflation without totalitarian measures and without an increase in unemployment--all this is a period in which there is a world crisis. In the midst of this crisis, the state of Israel is progressing in production, distribution and in export. This is not to say that we have solved our problems. The achievements are numerous, but the problems are even more numerous.

[Question] Are the savings programs which you mentioned sufficient to absorb the money surpluses from the public?

[Answer] I spoke about these programs only as an example. We have also taken other important steps. We have made a real cut in the operations budget after a several months freeze of the operation of government offices. We are trying to prepare a real budget smaller than the general operating budget of the year now ending. I do not believe in a wonder drug that will change the structure of the economy overnight. But I do believe in gradual and balanced work in several fields. There is no Six-Day War in economics. In economics we are fighting the war of Independence.

All That Is Necessary and Possible

[Question] The "dollarization" of the Israeli economy is getting stronger. A look at the real estate notice columns is enough to prove that all trade is going on in dollars--and the same is true in other sectors. Is there not something which can be done to restore the shekel to its position as the only coin of the state of Israel?

[Answer] What is being called "the process of dollarization" is a symptom. I am treating the illness itself--and it is inflation. It is natural that in an inflation people try to base long range deals on a more stable index. This symptom will disappear with the gradual recovery from the illness.

[Question] A great deal of money is being channeled to the stock exchange--inter alia, money from the sale of manufacturing firms--because of the great temptation: tax-free profits. In your opinion, has the time not come to impose some tax on stock exchange profits?

[Answer] The answer is negative. I view the stock exchange as a vital instrument for absorbing funds for investment purposes.

[Question] Only recently a story was published about a man who made a million pound profit on the exchange in 1977 and on whom a profit tax was imposed because he had made over 200 deals. Doesn't this somehow establish a precedent?

[Answer] This story is about a man whose occupation was trading on the exchange. Such people are subject to tax even today because dealing on the stock exchange, as an occupation, is not tax exempt. In this regard we have no intention of changing the present situation.

[Question] Are you willing to go out on a limb and estimate the rate of inflation we can expect in 1982?

[Answer] I am not willing to prophesy what will be the rate of inflation in 1982. You see, I don't even know what will be the exact rate of inflation for December 1981. I can say only that the process of reducing inflation will continue next year also. I know that in this business we are doing all that is necessary and possible. I have been saying this all the time. Today I can add: we are doing it successfully as well.

[Question] Can you tell the people of the country, on the eve of the civil New Year, that no drastic economic steps are in store for us in 1982?

[Answer] I am against drastic economic steps. I think that it is possible to move the economy forward by balanced, graduated and integrated actions.

[Question] Mr Finance Minister, if you personally had a little spare money--in what would you invest it?

[Answer] I can answer this from my personal experience: my wife and I have 15,000 shekels in savings. We invested it in the dollar-savings program which the Finance Ministry initiated. I think it is a good investment.

(10)

CSO: 4423/95

LEADERSHIP STRUGGLE IN HERUT PREDICTED

Tel Aviv MA'ARIV in Hebrew 5 Feb 82 p 27

[Article by Avi Bettelheim: "Herut: Cracks in the Citadel"]

[Text] After the last election to the Knesset the Herut movement was pictured as the most unified and orderly movement on the political map. The division and the threat of a split in the NRP, the continuing disintegration in the Alignment, and the internal subversion accompanied by insults of the Liberal party only emphasized the characteristic tranquility of the Herut party.

Even now Herut seems more unified than the other big parties but also in the "Ze'ev Fortress" [Party headquarters] dissension has begun to appear. In most of the cases we speak for the time being only of warning signals that have not been brought up for discussion in the movement's institutions.

The "Secret:" The Katzav-Levy Dispute

The minor rumblings in the Herut movement are hints of things to come. A major party activist said this week that every day he prays for the health of Menachem Begin and for the continuation of his authoritative leadership capability: "If Begin were to be unable to continue to lead the Likud in the next term," the same activist stated, "the succession battle that would develop could ruin us. Then, we would appear exactly as the Alignment, the NRP and the liberals appear today."

"The fresh crisis" that has taken place in the movement these days is the disclosure of the continuing confrontation between David Levy and his deputy, Moshe Katzav. From the beginning Katzav preferred to be responsible for Project Renewal under the authority of the prime minister's office. He assumed correctly that under Deputy Prime Minister Levy, life would not be sweet.

For five months their troubled relationship remained a secret. Furthermore, Katzav "play-acted" in such a manner that everybody assumed that there was an idyllic situation in the Housing Ministry. All this until the explosion last week.

"I believed that I could get along with David, but it has become clear that it is not so," said Katzav to the prime minister when he came to explain the meaning of his apparently surprising leave of absence. "I restrained myself to the limit. David has an alternative. I have not been imposed upon him. If he does not want me--so be it. Project Renewal is important. I see in it a life's mission. I am not willing to commit suicide over an idea."

Begin, surprised at the discovery of the continuing rift between Levy and Katzav, said: "You are both my sons. Why did it have to happen? Why don't you get along?" Katzav (something like this): "There is no competition between David and me within the movement. There is a large gap. David is strong and established and it did not occur to me to challenge him. I was forewarned from the beginning not to work with him. From the beginning he did not treat me right. He was haughty. After all, we are from the same background, so why this haughty attitude?"

"The Trio" Competing with David Levy

In the meantime Begin intervened and made peace between the two, but in the Herut movement they say that the Levy-Katzav crisis hints of an internal battle entitled: "Who Represents the Development Towns in the Movement? This task has naturally been reserved to David Levy and no one thought of taking that title away from him. Levy carries the development town vote thanks to his origin, appearance and his dizzying rise in political life.

The latest internal elections in the Herut movement signalled change. Two successful and talented mayors of development towns were elected to the Knesset. David Magen from Qiryat Gat and Me'ir Shitrit from Yavne. The two--along with Katzav from Qiryat Mal'akhi--are capable in a certain setting of threatening David Levy's position as holder of "the portfolio of suburbs and development towns" of the Herut movement.

"The rift between David Levy and Moshe Katzav is a very negative thing. Members of the same movement who represent the same interests, exhibit deep disagreement between them. It should not have been allowed to happen in the Herut movement," says Knesset member Me'ir Shitrit, and adds: "In my opinion, in the future there will be an unavoidable confrontation in the movement between the new current, the new generation, that has new approaches (we did not grow up at Jabotinsky's knees and in the underground generation) and the old patron-like approach."

Confrontation that has existed even longer in Herut is between the Minister of Defense, Ari'el Sharon, and the Minister of Communications, Mordekhay Tzipori, formerly Deputy Minister of Defense, who viewed himself as a suitable candidate for Minister of Defense but did not get the appointment. He uses the considerable experience he accumulated in the office to intervene in security matters and to criticize Sharon. Their outlook on security matters is opposite, and their many confrontations in government meetings are often embarrassing.

It is therefore clear that, in a battle for succession, Sharon could not expect Tzipori's support. The latter denies it but they say that in one meeting Tzipori said that if Sharon becomes a candidate for chairman of the movement, then he will prefer to vote for the Alignment.

Begin Is Harsh With Aridor

Begin does not back Aridor as a prime minister, but should support his minister of finance. Despite Aridor's great contribution to the success of the Likud in the last election, notwithstanding his great achievements in lowering the rate of inflation, and despite his popularity, high for a minister of finance--Menahem Begin continues to treat Aridor harshly, a phenomenon which has been going on throughout their acquaintanceship.

During the negotiations for a coalition six months ago, Begin compelled Aridor to consent to the exorbitant financial demands of Agudat Yisra'el. A few weeks ago, Begin pushed him to a minority position in the government, on the question of the rate of compensation for the Sinai evacuees. When Aridor hinted that under such conditions it will be difficult for him to continue in office--it seemed that Begin encouraged him to resign, stressing he has a potential replacement. This week the prime minister stated clearly (even though he did not name Aridor) that ministers should not threaten to resign all the time, and whoever wants to do it should do it... (Aridor gave his reply to Begin at a farewell party held this week in "Ze'ev fortress" for Professor Moshe Arens, who is leaving to serve as Israel's ambassador to the U.S. After very many compliments were heaped on Arens, the minister of finance stated, to the laughter and applause of those present: "If for such compliments a man has to resign from his position--I hereby declare that I do not intend to resign.")

Begin did not include David Levy in the Ministerial Committee for Security Affairs. Levy was hurt and indignant over that decision of the prime minister, although he did not express it.

Although Begin lavished many pleasantries and words of affection upon him when he made him acting prime minister for two weeks, the event which almost caused Levy not to be included in the present Cabinet has not yet been forgotten. During the coalition negotiations, in order to induce Tami to join the government, Begin decided to take away from Levy the Absorption portfolio. In response, the latter announced that he will not join the government even though he will continue to support it. In the Herut movement, there was scrambling around and as a compromise, Begin appointed Levy, "who hailed from the transit camps built in Israel for immigrants" to be deputy prime minister. But no place was found for such high appointee on the Ministerial Committee for Security Affairs (the day before yesterday Levy hinted that Begin would soon change his decision and soon announce his inclusion on the Committee).

Begin did to Yitzhaq Shamir what the late Moshe Dayan could not tolerate and for which he resigned: he diluted his authority. In actuality, Begin serves as foreign minister, while Dr Burg conducts the autonomy negotiations. If that was not enough, Begin agreed to hand Ariel Sharon the task of signing "the memorandum of cooperation" with the United States, even though it was a matter that should have been handled by the Foreign Ministry.

Begin did not do anything special to Ya'akov Meridor. He simply ignored him. And so Meridor walked around for months with nothing to do while the meaning of his title of "Economics Minister" has remained a mystery.

Yoram Aridor, who had a considerable part in returning Meridor to political life, is a friend of Meridor. And Meridor, who appreciates Aridor's talent, had a considerable input into the latter's appointment as minister of the treasury. The two have a close relationship and the minister of the treasury even transferred a few functions from his office to that of Meridor. This week Begin announced that if there were still differences of opinion between the various ministers and the minister of finance (concerning the size of the budget of their offices), it will be Meridor's task as the minister in charge of the economic domain to delve into the complexities of the matter and make a decision.

It is doubtful whether Aridor was satisfied with Begin's decision. A strong and authoritative minister of finance is obligated to solve budget problems by himself without outside intermediaries. No one will suspect Begin of planning it--but if matters reach the point that the Minister of Economic Affairs interferes with matters pertaining to the Treasury--it is possible that it will badly hurt the deep and longstanding friendship between Aridor and Meridor.

Four of the senior members of the Herut movement have a reason to be angry with the prime minister for not treating them with kid gloves. Only the fifth, Ariel Sharon, feels good and is certainly not bitter. He obtained the long-awaited appointment as minister of defense; his relationship with Begin has more than improved (Sharon takes good care to cultivate that relationship). Also, his popularity with the public and the Herut movement increases steadily.

Four Bitter--The Fifth Satisfied

The Herut ministers follow Arik's rise in influence and silently grind their teeth. Sharon does not enjoy sympathy amongst his colleagues and it is especially true with regard to Yoram Aridor and David Levy. The minister of transportation, Hayim Corfu, said last week in an interview, "Arik Sharon will not be the number one man in the Herut movement; he did not grow from within the movement, he does not know its mentality and in his character, he is not suitable to be its leader."

With this background, the importance of the convention of the Herut movement, which will take place in June, is clear. Although no one within the leadership of the movement speaks about a battle over succession (and those--like Aridor, whose name is mentioned as a possible candidate to lead the movement in the future--quickly dismiss that possibility with the claim that the matter is not relevant now, the convention will serve as a test of power for the heads of Herut. The groups within the various camps have begun to prepare for the convention (Two events indicate the apparent nervousness in the movement prior to the convention: a severe crisis which almost caused police intervention in the Kfar Saba branch and an investigating committee which suspects that forgery was committed in the North Tel Aviv branch headed by Knesset member Mikha'el Kleiner).

It is clear to each of the senior cabinet members that under present circumstances none of them has a majority in the central movement (1000 members). The only possibility that one of them will have a majority is for Begin to openly back a certain candidate. Will Begin do that or will he remain neutral--this is a big question mark for which they do not know the answer in the Herut movement.

9944

CSO: 4423/109

FINANCING OF LAVI PLANE DISCUSSED

Tel Aviv MA'ARIV in Hebrew 5 Feb 82 pp 13, 14

[Article by Ya'ir Kotler: "The Lavi Dispute: Where Will Production Money Come From?"]

[Text] This year (1981/1982), the Israel Aircraft Industry, which ranks among the largest in the world, achieved an industrial success which would be impressive on any scale: their exports equalled \$550 million out of total sales amounting to around \$1 billion. Last year exports amounted to \$350 million out of \$670 in total sales.

The Israel Aircraft Industry quietly succeeded, through dilligent hard work, to open new export markets for its products and to penetrate distant target nations which offer enormous potential for buying up Israel's weapons systems. Israel, who has for years achieved international reputé for the export of "Jaffa oranges," the trademark of 100 years of Zionism, is today in demand as an exporter of weapons which are being bought up eagerly in expanding world markets despite the disturbing fact that most of the European markets, Third World countries and other growing areas in the world (not to mention Eastern Europe) are hermetically closed off from Israel's products despite their need. The fear of the Arab world and the threat of oil embargos scare many buyers away from the small country of Israel.

This week, Gabriel (Gabi) Gidor, general manager of the Israel Aircraft Industry, was in a good mood. In the 4 years of his reign he has expanded his kingdom to the point of exporting more than \$2 billion. Sales to the Ministry of Defense, which in the last decade have been the mainstay of the Israel Aircraft Industry, accounting for around 80 percent of production, last year fell to 42 percent, and for the new year starting in April 1982, are expected to account for even less, perhaps as little as 38 percent of the firm's sales.

The Treasury's Concerns about the "Lavi"

Soon, the Ministry of Defense will, for the second time in 2 years, give the green light to the defense industry. Permission will be granted to continue the Lavi aircraft project, after \$80-90 million have already been spent on its development. Israel, who joined the distinguished club of war plane

manufacturers when the "Kfir" aircraft was unveiled, will now have a place in the technology of the 21st century.

The Israel Aircraft Industry is a giant corporation by any standards. Its general manager estimated that for the 1982/83 year, exports would amount to \$700 million. This goal will be reached if planned export deals go through. The Industry manufactures and sell Kfir airplanes. The chances that this fighter plane will sell abroad improved greatly since Ecuador--according to reports in the international press--purchased a dozen of the planes. Next in line--again, according to newspapers around the world, in particular the reliable publication "Aviation Week"--is Colombia, and there will be others.

The crew at the treasury, in contrast to the rest of Israel, is not excited about the production of the Lavi. They fear that sooner or later the Ministry of Defense will present the Treasury Department with a note for payment. The increasing power of the IDF troubles the Treasury. Heads of the department say that the development of the Lavi may cause setbacks in other areas of export growth, due to the concentration of resources in the achievement of this one goal. Further, profits will only be reaped at the end of the decade. The Treasury, whose coffers are empty, cannot wait. Its planning is from one day to the next, which is not the case with the Israel Aircraft Industry or the defense establishment. These latter must be concerned with the future, with preparing the means required to confront the enemy.

Professor Ezra Sadan, general manager of the Treasury, summarizes his opinion in one short, descriptive sentence, although there is some doubt as to whether his remark is based on fact: the production of the Lavi by the Israel Aircraft Industry is a test of failure for the Israeli economy.

Perhaps the opposite is true, as many industrialists, in particular the heads of Koor, are convinced.

The Ministry of Defense has requested that the Lavi be financed through a special national budget. It steadfastly refuses to draw the required funds from its giant budget, which has a fat reserve despite the freeze. In shekels the budget equals \$36.5 billion. To this respectable sum another \$250 million can be added, monies which were released by the Treasury for arms requisitions, mainly from Europe. And there is also, of course, American aid amounting to around \$1.45 billion, of which \$850 million is credit at 10-12 percent interest and another \$500 million which is allocated for IDF deployment in the Negev following the withdrawal from Sinai.

The development of the Lavi, which will be completed only in 1990, will cost \$1.1 billion in October 1981 prices. Around 30 percent of this sum is for foreign currency expenditures and work to be performed abroad and integrated with the operational production. The remainder is divided as follows: 40 percent of the remaining 70 percent will go to works outside the Israel Aircraft Industry, which will be fuel for the Israeli economy (or perhaps acid), and another 40 percent will go toward output in aircraft industry enterprises. The added value to the local industry from the Lavi, as was the case with the Kfir, will come to 80 percent--just like oranges for export (!).

For the year beginning in April, the entire project will cost \$90 million, around 30 percent of this in foreign currency. At the height of development, during the mid-1980's, the project will run around \$140 million a year.

Can't this sum be taken from the huge defense budget? Should the project be a direct burden on the Treasury? Can't the Ministry of Defense cut around 1 billion shekels a year from its budget, from its shekel budget, which was 36.5 billion with another \$30 million from its free dollar budget which amounted to \$270 million?

Even the Treasury would only be able to shrug and swallow its objections if the Lavi project were financed and budgeted through the Defense Ministry budget. Logic and justice dictate this should be the case.

One should know that a third of the defense budget--12 billion shekels--will be allocated to salaries in 1982/83, an increase of 1 billion shekels (!) over the budget year just ending. Expenditures on salaries are enormous, beyond any reasonable level. In the United States, 17.7 percent of the defense budget goes to salaries. The 42-year old pension age in Israel imposes a tremendous burden on the defense establishment (should read: tax payers). Who enjoys this exaggerated privilege, other than the spoiled members of "aged?" The pensioner receives an average of around 50 percent of his salary at retirement for life and severance pay amounting to 1 full year's salary.

Isn't it time to stop and think for a moment?

In April, following the withdrawal from Sinai, the borders will be shorter but the budget will not change. The rear army, technically and administratively, remains the same. Experts have declared that there is a 15 to 20 percent exaggeration in the maintenance of the rear army.

An Inflation of Generals

Shimon Peres and Mordechai Gur, minister of defense and chief of the general staff respectively following the Yom Kippur War, are being accused of inflating the IDF beyond its needs, absorbing large numbers of permanent army staff, by the wholesale distribution of rank. For example, in 1969 it was promised that there would be "only" 18 or 19 Brigadier Generals; today there are scores. At the time there were "only" around 200 Colonels; today there are several hundred, among them a number without assignments. The work performed by captains a decade ago is today being performed by Lt Colonels. The phenomenon of waste spreads from the top to the bottom, from the vehicle always at wait for the general to the 4-wheel vehicles given to lieutenants and captains.

On the eve of his appointment as minister of defense, Ari'el Sharon promised that he would work toward reducing the forces to 12,000. Had he fulfilled this commitment, the ministry would have accumulated enough funds to finance the development of the "Lavi"--around 2.5 billion shekels a year in today's prices. But Sharon quickly abandoned his original plan and rushed into

"reorganization" of his own design: marginal changes such as the subordination of civilians into uniformed soldiers, a move that will yield no significant savings, and may even contribute to a loss.

It is interesting to note that even those involved in the production of weapons systems in Israel--individuals as well as unions, regular soldiers and Defense Ministry officers alike--are convinced that, contrary to the belief of the chief of the general staff, Major General Rafa'el Eitan, the Lavi can be financed through the defense budget without adding a new burden to the existing troubles of the economy. In the treasury there are those who say that if the chief of the general staff decides that he is unwilling to allocate funds for the Lavi project from the defense budget, this means that the future plane is not a priority for the IDF and therefore should not be given special economic considerations, but should be evaluated based on pure economic criteria. Treasury experts have concluded that they should not be the sole investor, but that they should find a partner to finance development, production and export.

Ari'el Sharon continues to use pressure tactics for the purpose of expanding sources for the defense budget, which he himself agreed to freeze. The chief of the general staff is pressuring for the purchase of planes from abroad with American financial aid. In this way he will get full use of the budget without having to trim the fat from the IDF, which in reality would mean significant cuts in forces, particularly within the permanent army, which has grown considerably.

Is the Israel Aircraft Industry, which will probably produce the Lavi in the end, managed properly? Is it efficient enough to have an expensive project like the Lavi placed in its hands?

The Industry's critics, who do not repudiate its considerable achievements, bring up several claims against it, however: the management is too centralized; the director is a dictator whose every word is law; the general manager is taking over for the individual unit managers, which are becoming like junior sergeants under his command; the general manager is involved in every activity; the managers, who rule from above, are bereft of motivation and creative initiative.

It is also said that salaries in the Israel Aircraft Industry are inflated and that "at least" 2,000 workers could be cut. The last balance sheet for 1981/82, which will only be published in October, would not have shown profits without aid from the treasury via export credits, etc. etc.

Criticism is also directed against Gabi Gidor, the general manager, who has played all his cards on the table with respect to the Lavi--and it is a risky bet. He is criticized for not developing a new line of products for export with enough haste. There has been a delay in the development of the new model executive transport, sold under the name "Westwind."

The Israel Aircraft Industry insists on a varied inventory, as is the practice in the mixed agricultural market. It is supermarket where any consumer can

find a product to his liking: military and civilian planes; surface-to-surface missiles; security fences; oil barges; communications equipment; electronic warfare devices, and more.

In March of 1980 General Manager Gidor promised, after the Lavi project was authorized by the government, that the cost of development would be \$175 million and the price of the plane \$5.5 million. Two years have gone by, technology has come a long way, and the cost is sky high: development will run \$1.1 billion and the plane will cost \$9 million with another \$2 million in development. The competition--the F-16--which is not as good as the Lavi, costs twice as much. In the last deal concluded, Israel paid \$20.5 million for the plane and its assembly, but in future deals the price may well be 60 percent more(!).

Between a Surplus of Workers and Lay-offs

Time is money. It's a pity that the defense industry, by stubbornly insisting on maintaining the current number of employees, has added to the time required to develop the Lavi. Economists are convinced that a "minimum" of 10-20 percent "fat" could be trimmed from the IDF, and that the result would be "a better army." It is a fact that even Ari'el Sharon confirmed when he was minister of agriculture. In 1978 it was agreed that the "Ramon" operation, the deployment of IDF troops in the Negev, would last 4 or 5 years. But the plan still continues, with no real damage to the IDF, well beyond the original time frame. It may continue until the end of the decade. Only after the IDF realized that the operation must be funded from its current budget did it find alternate ways to drag out the time. Without blinking an eyelash, operation Ramon was cut in half for the new budget year 1982/83.

General Manager Gidon speaks "with guarded optimism," in his words, when he says that Israel can capture 10 percent of the world market for fighter planes of the Lavi type. In other words, it will be possible to export 450 Lavi planes. After the Lavi project is authorized for the second time, it will be possible to find a foreign partner in the West to contribute to development and/or production and export.

The giant firm has 20,000 employees, approximately 2,800 of whom are engineers. Of these, more than 50 percent are mechanical and aeronautics engineers. The general manager is afraid that many of them are "bound" to leave Israel if they do not pursue the development of the Lavi immediately. He remembers that in the depression of 1966, 400 left. Developing the Lavi means adding around 5,000 new workers, 350 of whom would be engineers. These, apart from 100 or 250 engineers who will be absorbed by the Bet-Shemesh engine factory, will come from among those who previously left.

If the Lavi does not go into production, 1,150-1,350 Israel Aircraft Industry employees will have to be laid off in April, among them 400 engineers who will not find employment in Israel suitable to their qualifications. On 1 November 1981 Minister Sharon froze the project. There 1,350 employees related to the firm who were only budgeted until April.

The Industry was forced to take a risk with a chance of success: development of a third model of the Gabriel 2 to be offered to buyers abroad. These buyers do not need a surface-to-surface missile with a range longer than that which has already been developed. But the Model 3 includes numerous electronic improvements. The next generation Gabriel may be designed with a longer range. Meanwhile, the industry is suffering. Critics of the defense establishment stress that the naval commander should resign himself to the fact that Israel, once the withdrawal from Sinai is completed, will not be the empire it was. If Israeli shipyards have no work, they should shut down. Japan and Norway subsidize ship building. It is not worth it for "Zim" to build ships in Haifa when it is cheaper in Japan. The navy cannot solve the problems of Israel's ship yards--so say the critics in the treasury and the defense establishment. Be that as it may, it is doubtful if the navy of the future will be the kind of consumer it has been in the past for the Israel Aircraft Industry. This latter has already realized that it cannot count too heavily on the navy and is looking for clients abroad.

Delays have also been experienced in the development of the new executive transport, the "Astra." It was supposed to be on the market by March 1984, but even this late date was postponed to August 1985. There was a shortage of funds for its development. The advancement of other projects, which were grabbed up in the international market, took precedence. The sales success of the civilian Westwind and the surface-to-surface Gabriel have been impressive: 350 shining units. This well-liked transport plane captured an impressive 26 percent of the spoiled American market, and the Israeli Aircraft Industry need only sell another 60 airplanes of this type to recover its investment. The new "Astra" model will cost \$110 million without taking interest into consideration. At least 300 units will have to be sold to recover the cost of its development.

The "Arava," which was never received well in Israel, is selling well abroad: 76 have been exported to several countries. Twelve are being produced each year. Sixteen countries have purchased the Arava and are satisfied. The defense establishment does not always rush to buy products from the Industry. There is ample reason to believe that the root of the problem does not lie in the quality of these products. As is true for many products marketed by Israeli weapons manufacturers, the problem is buried elsewhere: in the United States. The defense establishment, influenced by pressure from various military branches, prefers to exploit American aid to fill its warehouses quickly (more on this in the continuation of this series). Why wait for original Israeli products? Why help the Israeli industry to become established and developed when the "barriers" of investigation by the State Comptroller and the Israeli bureaucracy can be sidestepped and with no particular problems they can turn to Uncle Sam for help.

The government, the sole owner of the Israel Aircraft Industry since its establishment in 1953, does not act like a concerned owner or expectant mother. The government does not funnel working capital to the concern whose output this year was \$1 billion. Nor does the government provide aid for R & D (Research and Development), when the future of the industry depends on its scientific breakthroughs and its discoveries and inventions. The Israel

Aircraft Industry competes in a world where the government supports development (France) with no pangs of conscience. In Japan and Germany development is subsidized. Arnon Gafni, former governor of the Bank of Israel, formulated an enigmatic thesis which no one understands: he stubbornly refused to grant credit to finance defense exports, to be distinguished from civilian exports (such as the Westwind planes and the Arava). He feared that due to the industry's impressive success with defense exports, the Israel Aircraft Industry would gain most of the relatively cheap financing and would bite too large a piece of the dried up pie of available credit based on any criteria he could establish. This created an annoying, unjustified prejudice--which is still in force--favoring the exporter of women's hose, for example, over the exporter of surface-to-surface missiles or Kfir aircraft.

Should the Israel Aircraft Industry, or industry in general, be punished for its successful defense exports?

"Make it on your own, by yourself," advised Governor Gafni. In the reality of Israeli society this advice costs a fortune. The Industry took out oppressive bank loans and financed R & D through profits generated by the Industry principally from sales abroad and not through orders from the defense establishment. The treasury, which has not channeled even a penny to the Israel Aircraft Industry, did not hesitate to add to its coffers a dividend amounting to \$70 million from the year 1977/78. General Manager Gabriel Gidor was furious but the goodnatured chairman, Israel Saharov, faithful to the Likud ministers, supported the minister of the treasury at the time, who had an appetite for the Israel Aircraft Industry's profits. Instead of investing these profits in research and development, he used them to publicly show that even government firms engaged in sales could generate handsome profits.

The Israel Aircraft Industry shows no losses, but net profits have dried up for the reasons stated above. For example, the 1980/81 balance sheet shows a net profit, before expenditures on research and development, of 340 million shekels. Two-thirds of this sum was allocated for R & D--all from profits made by the firm. The net profit of the firm and its subsidiaries was more than 100 million shekels, or 2.5 percent of total sales. This rate is similar to that normally reached in the United States aircraft industry, where the net profit is around 1 percent of total sales and ranges from 0.5 percent to 0.6 percent. After pressures were brought to bear and following the intervention of Chairman Israel Saharov, some compensation for the Israel Aircraft Industry was agreed upon. It appears that the treasury wants to demonstrate its support for chairman Saharov in order to "subordinate General Manager Gidor in the long run," according to statements from treasury department sources. General Manager Ezra Sadan was allowed to authorize the return of export credits to the Israel Aircraft Industry. They are trying to protect Saharov's image, who feared that it would be rumored that during his tenure the Industry did not show handsome profits. The compromise: the treasury will increase the state's capital stock in the firm instead of making returns on expenditures incurred by the firm to finance export credits. Treasury economists found that the subsidized portion of the finance loans for 1980 was \$35 million--\$100 million for the 2 years of exports.

If the treasury does not fulfill its commitment, as set forth in a letter to the Israel Aircraft Industry from General Manager Sadan, the balance sheet will show no real gains for the period in question. If the firm refrained from investing in R & D it would show an attractive balance--a 10 percent profit turnover--but this would immediately create a 10-year lag in R & D and a precipitous drop in exports starting in 1984. The treasury sees only one day to the next with respect to all areas under its responsibility, especially on the subject of developing the Lavi project.

The active directorship concluded that they must make an immediate expenditure of \$300 million over the next 4 years in order to keep pace with the advancements expected by the end of the century and beyond--modernization, robotization, automation. The treasury was most "gracious": it will provide \$100 million in exchange for erasing a debt of \$108 million from loans for financing defense exports which were not given. Out of this relatively small sum, \$85 million will be spread over a 3-year period to increase capital stock. The remaining \$15 million will be allocated for participation in developing the new "Astra" transport plane.

The Israel Aircraft Industry's stubborn insistence paid off, in part if not in whole. General Manager Gidor's persistence bore fruit.

This week he was very optimistic. "We will produce the Lavi aircraft as well."

0811

CSO: 4423/107

LOCAL GENERAL OVERSEER OF MUSLIM BROTHERHOOD INTERVIEWED

Kuwait AL-MUJTAMA' in Arabic No 557, 26 Jan 82 pp 13-18

/Interview with Abu Majid, general overseer of the Moslem Brothers in Jordan:
"In Sheltering People Who Have Fled Tyranny, Jordan Is Governed by Chivalry and
the Most Basic Rules of Humanity"; date and place not specified/

/Text/ Our Existence Is Legal by Virtue of the Constitution AL-MUJTAMA': The Moslem
Brothers are the only group of /religious/ brethren who have assumed an official
existence. Why is this?

Abu Majid: As long as Jordan has a constitution which it will abide by which
stipulates that the state religion is Islam and by virtue of which the government
cannot commit aggression against Islamic thought and Islamic institutions, our
existence will be legal in accordance with the constitution. However, that does
not prevent occasional clashes with the government as the result of differences in
ideas.

We Issued the Magazine AL-KIFAN AL-ISLAMI But It Is Still Suspended

AL-MUJTAMA': Why haven't the other Islamic and political groups been granted per-
mission /to exist/?

Abu Majid: As I said above, our constitutional existence has not prevented clashes
in ideas from occurring, but these clashes have not reached the point of eliminating
our presence. We once had a weekly magazine, AL-KIFAN AL-ISLAMI, in which we called
for freedom of thought and freedom of independent development, showed concern for
unity and demanded a commitment to the provisions of Islam and adherence to the
provisions of the constitution. This prompted the authorities to shut it down a
number of times. The last time it was the commander of the army, Glubb Pasha, who
ordered that the magazine's headquarters be surrounded and issued an order suspend-
ing it. It still is suspended!

AL-MUJTAMA': So the source of legitimacy of your existence is the constitution?

Abu Majid: No, we derive our being from almighty God's Islamic law and we preserve
that by abiding by the stipulations of the constitution; thus the government cannot
restrict the Brothers' activity.

We Have Tenaciously Sought To Get Mr Al-Da'ur out of Prison

AL-MUJTAMA': Why couldn't the Liberation Party find an official formulation for
itself, although it derives its legitimacy from God's book?

Abu Majid: The government alleges that the Liberation Party resorts to illegal means; this is the secret behind their dispute with the authorities. When the leaders of the Islamic Liberation Party were suppressed, we tried to help them and presented many demands that Mr al-Da'ur be released when he was in prison.

The Mosques Are Our Houses

AL-MUJTAMA': Do you mean that your presence pleases the authorities?

Abu Majid: The issue is not whether or not they are pleased, nor is it a matter of renting a house and putting a sign up on it saying "Home of the Moslem Brothers." As I said, our existence is connected to God's Islamic law, and our true houses are the mosques. I said that to Tawfiq Pasha, a former prime minister, when he threatened to shut down the Brothers' house! I told him, "You can't!" He said, "Are you threatening me?" I told him, "Our houses are the mosques. If the Brothers' houses are closed down you will be saving us the rent and the expenses on this house, and we will use what we save to combat the people who have shut our houses down."

Husayn Ordered the Army To Be Purged of Britishers -- And then What?

AL-MUJTAMA': Did the British bother you in the days of Glubb Pasha?

Abu Majid: The army was under the orders of the commander, most of its commanders were Britishers and they dictated their orders to the minister of the interior. However, King Husayn was aware of this, and, in one of my meetings with him, I warned him of that. It was a good move on his part when he ordered the purge of the army, but unfortunately Glubb, the commander of the army, did not depart without leaving pupils behind him.

The Failure To Rule by God's Book and His Prophet's Sayings and Doings Results in Disputes among Arab Rulers

AL-MUJTAMA': What is the story behind your arrest during Nixon's official visit to Jordan?

Abu Majid: Sometimes disputes occurred between us and the government when we offered it advice; that sometimes resulted in my arrest and the arrest of my brothers. As regards Nixon's latest visit to Jordan, we demanded in a statement we issued that he not be received, because it is the presidents of the United States who are arming Israel and are continuously supporting it, and it is they who are the source of the curse of the disunity among Arab countries and the existence of disputes among them. To that I might add that almighty glorious God has set these rulers against themselves and has exacerbated their mutual wretchedness, because they have not ruled in accordance with God's book and the sayings and doings of his prophet.

There Is No Dispute among Moslem Brothers in Jordan

AL-MUJTAMA': Some time ago the Beirut newspaper AL-SAFIR published a report on severe disputes within the leadership of the Jordanian Brothers. What is the truth on that?

Abu Majid: I do not know where the newspaper AL-SAFIR was furnished with this trumped-up news about disputes among leaders of the Brothers on whether or not to bear arms. Bearing arms in Jordan is governed by the law, as in other countries of the world; the Moslem Brothers' position is the same as that of other citizens. We all demand that security be preserved in the country and that our brothers' lives be safeguarded from oppression by tyrants.

AL-MUJTAMA': Does the Jordanian government feel afraid of you?

Abu Majid: The Moslem Brothers call for governance in accordance with Islam. We call for wisdom and good exhortation, argue with our rulers over what is best, and call upon all Moslem rulers to exercise proper guidance, probity, and arbitration on the basis of God's book. Governance must be based on Islam in its entirety; part of it should not be taken up while part is abandoned.

Professing Islam Is One Thing, Applying It Something Else

AL-MUJTAMA': Don't you believe that a fear exists of encroachment by the Iranian model, which you have supported?

Abu Majid: The regime in Jordan is not hostile to Islam and those who call for it; it differs with them. The reasons why it is not hostile to Islam are that the constitution prohibits the regime from being hostile to Islam, the ruling house belongs to the house of Islam, the existing regime realizes that the Arabs' glory lies in the glory of Islam, that the unity of the Arabs can be achieved only through Islam and that nothing watches over the safeguarding of justice and public freedoms like Islam. However, professing Islam is one thing and applying it is something else.

AL-MUJTAMA': What is the nature of your relations with the other Islamic groups in Jordan?

Abu Majid: There is no enmity with anyone who harbors no enmity to us. We do not respond to individuals, we respond to deviant ideas, false news and trumped-up charges.

The Jordanian Government Challenges Syria's Allegations

AL-MUJTAMA': Is the declaration the Syrian government made to the effect that Jordan is sheltering and training Brothers correct?

Abu Majid: Syria's allegations are not correct, and the Jordanian government has challenged it to mention one place where there is a camp for the Moslem Brothers and delegate anyone it wants to conduct an inspection and investigation. The Moslem Brothers in Jordan are forbidden to erect camps and tents or even to hold celebrations, except by official permission from the government. All that the situation entails is that people fleeing Syria sometimes pass through Jordan with their families to find another place to live in. This situation is dictated by the most basic rules of humanitarianism and chivalry.

AL-MUJTAMA': Is the Obligation of Every Concerned Moslem

AL-MUJTAMA': Does this mean that you are not helping the Syrian Brothers?

Abu Majid: Moslem Brothers in Jordan, like any Moslems, must offer aid if they have any savings. Why shouldn't they help dispossessed women, orphaned children and people who are starving from the oppression of a tyrannical regime?

People brought up in Islam know that their first duty is to expel the enemy of Occupation

AL-MUJTAMA': Al-Bashir al-Ibrahimi, on whom God have mercy, was a friend of yours. Was that what led you to give aid to the Algerian revolution?

Abu Majid: Mr al-Bashir al-Ibrahimi, proprietor of the magazine AL-BASA'IR, was an eminent scholar who headed the Society of Algerian Scholars founded by Ben Badis. He is to be credited with providing the growing generation with culture in Islam and educating them. People brought up in Islam know that their first duty is to expel the enemy occupying their country, and they know that liberating the country of the enemy cannot be done before the spirit is liberated from corruption and oppression. He, may God have mercy on him, was active and well versed in literature, Islamic jurisprudence and language. He strove earnestly to unify the Arab countries under the banner of Islam, which melts all disputes and dissolves the boundaries and restrictions which stand in the way of our nation's unity. He, may God have mercy on him, visited Jordan a number of times and I had more than one meeting with him.

Moslem Brothers Everywhere Supported the Algerian Revolution

AL-MUJTAMA': What was your position regarding the Algerian revolution?

Abu Majid: When the Algerian revolution burst forth, it launched an appeal for the expulsion of colonialists and rule by Islam. Therefore Moslems in all Arab countries supported it, and we in Jordan had Mr 'Abdal-Rahman al-'Uql as representative of the Algerian revolution. I can remember that our brethren in various centers would hold festivals, games and plays and would give the profits from them to the Algerian revolution. The Algerian revolution's representative would send a delegate to receive the donations that were collected. 'Abd-al-Rahman al-'Uql was the best of persons to represent Algeria; he was a rebel against oppression and preserved his proper Islamic conduct.

The Moslem Brothers Were Never against Christians because of Differences in Religion

AL-MUJTAMA': What is your position on the Palestinian revolution in Jordan?

Abu Majid: The oppression which has befallen the people of Palestine, with British and American blessings, has caused the hearts of sincere Moslems to bleed. Young Moslems realize that it is the duty of the Moslems to repel every transgression against every square inch of Moslem land. Young Brothers aspired to a holy war at that time, but political circumstances in the Arab countries kept them from military training. Young Moslems could enlist on their own, and we would finance them and help their families if they were the breadwinners of families. Young Moslems in the Brothers' Society took part in all the revolutions in Palestine, and letters poured in from the media to the Brothers to defend the Palestinian cause. It is the Palestinian cause that made the Moslem Brothers stand up to the King of Faruq, then the despot 'Abd-al-Nasir, the ally of Zionism and the leader of the regime which rose on America's shoulders and still receives support from America to this day, is hostile to the Islamic movement and is keeping thousands of its people in prison on the pretext that the Moslem Brothers caused the recent national strife -- although everyone who is familiar with the Moslem Brothers'

said that he was struck by the Moslem Brothers' call, because they were carrying out Islam indeed, not just in word, and Islam, through their strength, proceeds in the form of deeds which every perspicacious eye can see. He told me, "Sadiq al-Mawawi, who was the commander general of the Egyptian forces that entered Palestine, told me,"

Sadiq told al-Hajj Amin, "Hajj Amin, I cried twice in my life, once when my mother died and once when I was compelled to imprison the Moslem Brother heroes whose heroic acts and deeds I witnessed with my own eyes. I can remember one of these heroic acts when the Jews managed to fortify themselves on a low hill from which they threatened the communications of the Egyptian army which was invading the northern Negev and threatening the Jewish settlements. The Egyptian battalions had failed to drive the Jews from the hill, and it occurred to me to order the men of the Moslem Brothers who had been imprisoned to do so. I told one of them, thinking that he was in charge, "We have been faced with a problem: Could you take over the fortified Jewish settlements? We have not been able to eliminate their fortifications!"

"The man told me, "If you let us out to fight them, we will show you in practice how to drive them from the hill! We promise you that anyone who is destined to live will go back to prison." I asked him, 'What weapons do you want?' He replied, 'Just give us our own weapons!' I told them, 'On one condition.' They asked what that was. I said, 'For me to be with you.' The man stated, 'Do you want to accompany us as a soldier or a commander?' I said, 'As a soldier, of course!' They all said, 'We accept.' I went out with the Brothers' men and 1 kilometer away the man ordered his men to lie down flat on the ground and attack. They were 60 in number. He told me, 'Either go away or stay where you are!' I told him, 'Put your faith in God and let me take part with you, or by God I will feel contempt for myself. Either I will go to martyrdom with these heroes or there will be a victory.' The man replied, 'We were destined to be prisoners but you are responsible for the army, and God will not allow you to be killed. That would destroy the army.' At that point I said, 'Indeed I will stop.' The attack started and I advised them not to open fire until they heard the cry 'God is great.' The enemy's bullets were whining over them on all sides. I thought they had all been killed and waited for the cry. After a while I heard a loud cry from the top of the hill calling out 'God is great.' The heroes were skirmishing with the Jews on the hill in hand to hand combat. I held my breath and then the cries of 'God is great,' acclamation and the evening call to prayer came from the hilltop. I went up the hill to see the wounded, the bleeding and the remaining survivors giving praise to God and his glory. I started to cry." Sadiq al-Mawawi related this story to al-Hajj Amin. I heard it from him and by God I am not making it up.

AGRICULTURAL DEVELOPMENT CONFERENCE HELD

Al-Jalil AL-SIYASAH in Arabic 15 Feb 82 p 7

[Text] The conference of agricultural development in Kuwait concluded its sessions yesterday. The first morning session was chaired by undersecretary of information, Shaykh Nasir Muhammad al-Ahmad, under the theme "The Role of the Media in Agricultural Development."

During this session the assistant undersecretary of broadcasting and information affairs, Sayyid 'Abd-al-Aziz Ja'far, delivered an essay entitled "The Media and Agricultural Guidance," in which he explained the important role of the media in the development and advancement of agriculture. He said that in addition to scientific guidance, the role of the media is to give psychological guidance which is considered as a national priority.

The head of the division of agricultural guidance, Ya'qub al-Yusufi, then presented a lengthy essay on agricultural guidance and the role of agricultural institutions. He explained the role of government and semi-government agencies and private institutions. He discussed the problems facing agricultural guidance and the proposed recommendations for solving the problems of guidance.

The second morning session was then held under the chairmanship of the president of Kuwaiti Federation of Farmers, Mr Muhammad al-Rashid, entitled "The Importance of Subsidizing Agricultural Sectors." During this session, deputy-president of Kuwaiti Federation of Farmers Mr Jasim al-Amir presented an essay entitled "The Importance of Subsidizing Agricultural Sectors." He discussed the types of subsidies in the form of current loans, the enactment of laws, enforcement, subsidies for agricultural necessities, and the importance of subsidizing agricultural products and developing agricultural institutions. This was followed by the head of the division of statistics and agricultural economy in the department of agriculture, Ministry of Public Works, Maryam al-Rawid, who delivered an essay entitled "Means of Developing Agricultural Marketing." She explained the status and problems of agricultural marketing in Kuwait, and concluded her essay by proposing a number of recommendations one of which was the necessity to lay down regulations for protecting local production against the threat of imported products, so that these products are not imported from neighboring states at a time when they are available locally.

'Ali al-Rawi of the Botany department at the University of Kuwait then delivered an essay entitled "The Role of the Support Industries in Agriculture."

At the evening session, chaired by member of the National Assembly Dr Nasir al-Jubhuwa, entitled "Development of the Kuwaiti Farmer's Efficiency," three essays were delivered and were followed by a general debate. The essay by member of the board of Kuwaiti Federation of Farmers, Mr Fahd al-'Awdah, dealt with the status of the worker in the agricultural sector, in which he explained the development of labor utilisation in agriculture and the means of improving that labor.

The essay of Rashid al-Hamad, entitled "Development of Agricultural Education" dealt with education in agriculture, passing academic curriculums, and the means of improving agricultural education. He demanded the establishment of a vocational institute specialised in scientific agricultural education similar to the agricultural institute which existed in the sixties and was closed in the early seventies.

Mr Ra'd al-Salih of the Department of Agriculture then delivered the final essay of the conference entitled "Agricultural Equipment and the Efficiency of Farm Production," in which he emphasized the importance of making the best use of modern technology for the development of the agricultural sector.

The director of conferences and cultural affairs at the Kuwaiti Institute for Scientific Advancement, Dr Ibrahim al-Sharidah, concluded the conference by putting forward the following recommendations:

During the past 5 years, the agricultural sector has realized profit for the national income, amounting to one percent of local production of all the non-petroleum sectors. The agricultural sector has also achieved an annual growth of 20 percent during the past 5 years which clearly indicates that the modern methods adopted in dealing with natural conditions have succeeded in development of agriculture in Kuwait.

The local agriculture is expected to produce 45 percent of local market need of green vegetables compared to 25 percent in previous years. To increase production and develop the sector of agriculture with a view to providing food security for the state, we recommend the following:

1. Draw up specific and clear agricultural plan.
2. Seek to establish political support for a comprehensive water supply system in the country.
3. Develop the agricultural sector in Kuwait and enable the farmer to participate in making decisions on matters concerning his future.
4. Set up an independent body or institution for agricultural produce.
5. Seek government subsidies for the agricultural sector to ensure reduction of costs of production.
6. Consider establishing centers for collection, distribution, and supply of agricultural products mechanically.

4. To accelerate the completion of basic utilities and services to make them available at centers of agricultural areas.
5. To pay attention to the needs of agricultural engineers and improve agricultural guidance.
6. To emphasize agricultural education and set up specialized agricultural institutes.
7. To concentrate on the policy of agricultural accomplishment in both farming and animal husbandry.
8. To organize shepherding and develop natural pastures, and adopt the best means of dealing with the natural environment with minimum exploitation.
9. To encourage farmers to adopt scientific methods and to encourage an agriculture protection policy.
10. To give serious attention to agricultural media such as specialized agricultural publications; special columns in daily newspapers or periodical magazines; radio and television programs; in addition to organizing agricultural conferences and discussions.
11. To provide the opportunity for existing private agricultural establishments to carry out their activities, before permitting other such establishments to emerge.
12. To stress the need to legislate more laws to regulate employee-employer relationships in a manner to secure the rights of both parties, and to observe their implementation by an effective and strong apparatus. Efforts must also be made to improve the workers' living conditions and discipline, and to promote feelings of stability and loyalty in them by letting them have a proportional share of the yield of the project.
13. To pay attention to agricultural mechanization in order to use it in all spheres of agricultural operations, and to do what is necessary for their maintenance and proper administration with the aim of increasing the efficiency of the work, increasing production, and reducing the reliance of manpower.

0002

0001 11/11/2015

HAWALLI GOVERNORATE CRIME, SECURITY DISCUSSED

Kuwait AL-SIYASAH in Arabic, 16 Feb 82 p 4

[Article by Sayyid Uthman]

[Text] Lieutenant Colonel Abd-al-Ghafur al-'Awdi has explained that the Hawalli governorate which includes about half the population of Kuwait is a true example of the Kuwaiti society based on friendship, love, and cooperation. He said that although the governorate is overcrowded with markets, companies, stores, banks, and model houses, and has a large geographic area, its crime rate is in continuous decline. This is due to awareness of the population, their cooperation with the security men and the latter's continuous vigilance. The inspector of the Criminal Investigations Department (CID) of Hawalli governorate admitted that certain types of crime may occur now and then due to negligence and to cultural differences in the people's way of life. He said that CID men therefore take immediate action and seize such persons thus making serious efforts to limit and uproot crime from the society.

Limiting Unsolved Crimes

He also stated that the alertness of CID men and their mobility helped to put an end to unsolved crimes and made it possible for them to seize all those involved in such cases.

He went on to say that the duty of CID men is not confined to making arrests, but also to collecting evidence and proof so that no culprit may escape punishment because of lack of evidence.

As to the relations of security and CID men with the public, Director of CID of Hawalli governorate, Lt Col 'Abd-al-Ghafur al-'Awdi declared: "We as security men must be in close touch with the public and establish friendly ties with them. We should visit during times of joy and on happy occasions. Through such a positive relationship we could achieve the basic formula of making every citizen realize that he should be on guard." Elaborating on his opinion that the task of security is not solely confined to security men, he said: "Naturally educational and cultural institutions must also take part in spreading security awareness and youth programs through scientific and educational methods since such action could reduce crime to a great extent."

"Willing to Acquire Information"

As to rumors that those who report on incidents are delayed when trying to reach the authorities concerned, he said that the authorities have instructions to deal with such situations," as neither I personally nor any other officer has objections to talking to any such reporters immediately, by phone, for the sake of obtaining necessary information from him. Our relations with the public must be based on mutual cooperation and confidence and must not be restricted to red tape, especially when the authorities pay great attention to the necessity of dealing with the people in proper manner."

As regards the various car accidents in the Hawalli governorate which included about 120 nationalities, Lt Col 'Abd-al-Ghafur al-'Awdi said: "We do not put the blame on drivers, as leaving children unattended in the streets and crossing the streets from places not specified for pedestrians are causes which increase the rate of traffic accidents and cause death to innocent persons, especially children."

Causes of Theft

Lt Col 'Abd-al-Ghafur al-'Awdi mentioned certain factors which led to an increase in thefts, such as leaving valuables unattended in automobiles and leaving golden ornaments on car mirrors which would attract the attention of juvenile and encourage them to commit thefts. "We therefore request everyone to be careful and cautious for the sake of reducing accidents and theft."

As regards secret agents and the importance of selecting them from people who desire to render service to the security of the state and who do not join for personal motives, the Director of the CID of the Hawalli governorate said that irrespective of the vital and important role of informants, the time will have only come when they would not be needed. "This can be achieved if every individual fully understands his important role in keeping the peace."

Concerning delegations sent abroad by the Ministry of Interior to study the latest scientific methods of combating crime, the director of the CID of the Hawalli governorate stated that the policy of the Ministry of Interior in this regard reflects its interest in seeing that security men attain a high level of education and that they be acquainted with the latest technological developments in their fields as a means of compensation for the shortage of personnel. He said that the importance of the role of the CID is reflected in the establishment of four new CID directorates in the governorates with the aim of operating effectively. This has helped to achieve full coordination between the directorate general of criminal investigations.

Coordination Between CIDs of the Governorates.

It was stated that such coordination was clearly apparent in many recently reported cases: "What happens is that when a person is arrested he is referred to the CID concerned in the governorate where he committed his crime. This is followed by a thorough daily exchange of information and coordination between the CID of the governorate where the crime was committed and the CID of the governorate where the investigation is being conducted on the other."

Despite the population growth, the expansion of construction, and the appearance of new residential areas, Lt Col 'Abd-al-Ghafur al-'Awdi confirmed that security services can reach all areas of Kuwait as a result of improving the competence of security departments. He declared: "Security officers cannot relax if even one criminal remains at large. Their duty and conscience urge them to be watchful and alert until all details of a criminal case are revealed and the culprit arrested, after the evidence has been collected to prosecute the criminal before the courts."

There is No Organized Crime

Lt Col 'Abd-al-Ghafur al-'Awdi confirmed that the crimes occurring in Kuwait could not be considered as organized crimes, since such crimes would exist only at times of unemployment, while our country, thanks to God, has provided employment opportunities to everyone."

In conclusion, Lt Col 'Abd-al-Ghafur al-'Awdi pointed out the positive phenomenon of harmony and love shared by all citizens and residents alike in this country. He said that this feeling is evidenced on many occasions, especially at sports activities when sports fans, among them fans from other Arab communities, are seen to be supporting the Kuwaiti sports teams. This is perhaps a clear indication of their feeling of love and attachment to Kuwait.

0001

000: 4404/295

QATAR

BRIEFS

SHIP REPAIR YARD--The Qatar National Navigation Company last week officially opened its \$26.5 million ship repair yard at Umm Said. The yard has a floating dock capable of lifting 3,300 tons and handling ships of up to 8,400 tons, the OPEC news agency reported in a dispatch from Doha. It added that the yard's five workshops were equipped for all types of repairs to small vessels. Construction of the floating dock was supervised by Egyptian engineers from the Suze Canal Authority, the report said. [Paris AN-NAHAR ARAB REPORT & ARABO in English 8 Mar 82 p 7]

CSO: 4400/176

BRIEFS

PROVISIONAL ORDERS--Khartoum, March 11 (SUNA)--President Nimeri issued a provisional order on the amendment of the Customs Act, 1982. The order exempts some exports from custom duties. The exemption includes sheep, goats and their meat, dura, oil cakes, chrome and cotton fibres. The order, which aims at encouraging exportation, came in implementation of a decision taken by the Economic sector Ministerial Committee in its second meeting on February 20, 1982. The President has also issued a provisional order amending the Income Tax Act 1982, retroactive from the first of January 1982. The order cancels the Income Tax Act (amendment), 1981. Income taxes imposed on the Sudanese nationals working abroad have been changed from 10 percent to an equivalent of L.S. 200 for the workers, L.S. 400 for the employee, L.S. 600 for the professional and L.S. 2000 for the businessman. A settlement will be made for taxes already collected at the former 10 percent rate. [Text] [Khartoum SUNA in English No 4061, 11 Mar 82 p 3]

CSO: 4500/125

UNIVERSITY GRADUATES FIRST CLASS

Paris AN-NAHAR ARAB REPORT & MEMO in English No 10, 8 Mar 82 pp 6-7

[Text]

The UAE's Emirates University graduated its first class of 472 students at a ceremony on February 28 at which UAE President Sheikh Zayed bin Sultan al-Nahyan was the main speaker. The university, established in 1977 at Al Ain, about 100 miles east of Abu Dhabi city, is one of Sheikh Zayed's pet projects and each of the new graduates received a gift of Dirhams 50,000 (about \$18,000) from the ruler of Abu Dhabi. "Man and not money" was the country's true wealth, Sheikh Zayed declared, and he exhorted the graduates to set a good example for future generations in their work to develop the Emirates.

The UAE's Minister for Education and Youth, Saïd Salman, who is Chancellor of the university, described the graduation ceremony as the "greatest and most distinguished" event since independence in 1971. Rulers of six of the seven Emirates were present. "We are harvesting today the fruits planted by President Sheikh Zayed," he said.

The university was originally set up with four faculties: letters, science, education and political and administrative sciences, and three other faculties were established later. They are law and *Shariah* (Islamic law), which was added in 1978, agriculture (1979) and engineering (1980). The 12 original departments of the university have since been joined by 18 more departments. The university's enrollment has risen from 500 in 1977 to 3,500 students at present, with girls making up 45 per cent of the student body. In the meantime, the university's teaching staff has increased from 50 in 1977 to 406.

The university's budget for this year is Dirhams 368 million (\$145 million), up from Dirhams 90 million (\$33 million at current exchange rates) in 1977. All full-time students get free board and lodging and receive a monthly allowance of between Dirhams 750 and Dirhams 1,000 (between \$280 and \$360).

CURRENT FOOD PROJECTS OUTLINED

Beirut THE ARAB WORLD WEEKLY in English No 658, 6 Mar 82 pp 11-12

[Text] The government of Abu Dhabi seeking self-sufficiency in food production, is currently engaged in setting up a number of foodstuff projects. Some of these are still under study, others are still in their early stages of implementation, while some have already started production and marketing it.

Mohammed Saleh bin Bedouah, under secretary at the court of the Ruler's Representative in the Eastern region, said that an ambitious agricultural project based on the cultivation of jojoba plant is now in the early stages of execution.

The jojoba nut contains an oil which is almost identical in properties to sperm whale oil which can be processed into various chemical derivatives for the manufacture of dyes. The studies for the project confirm that the climatic conditions in Abu Dhabi Emirate favour the cultivation of jojoba which thrives in hot and arid land. Also, the underground water available in Al Ain has been found to be suitable to irrigate this plant.

The project estimated to cost Dh 140 million, will be set up in cooperation with an Austrian firm specialised in utilising arid lands. The Abu Dhabi government will invest 60 per cent of the project's capital while the Austrian corporation which will set up the mill for extracting oil from jojoba will contribute the remaining 40 per cent.

Bin Bedouah said the Al Ain company for the production of vegetables was another important project whose capital is now in the market. He said that it was set up to overcome the harsh climatic conditions preventing the growth of vegetables in summer. The Company now grows its vegetables in cooled plastic houses producing tomato, cucumber, green pepper and other vegetables in summer.

Bin Bedouah pointed out that the Al Ain dairy is another achievement in local food production. Its output is already in the market. However, the most important project established in the foodstuff field, Bin Bedouah said was the Al Ain poultry farm which is being set up by the court of the Ruler's Representative in the Eastern Region. The farm when completed will produce approximately 60 million eggs and 2,500 tons of chicken meat every year he explained.

At the moment it produces 83,000 eggs daily. The farm which is situated in Al Sad, some 30 kilometers west of Al Ain, was set up at a cost of Dh 102 million. Work on this project began in November 1980 while the actual production of the first phase started in November 1981.

The present production of 83,000 eggs daily is the output of 90,000 chickens kept in two principle coops. The second production phase is expected to start in April when two more coops comprising 90,000 chickens will be ready. The third is scheduled to start in August when 90,000 more chickens will be added to the farm. The farm should be fully completed by November 1982.

CSO: 4400/176

BRIEFS

OIL EXPLORATION IN PAKISTAN--The UAE is helping Pakistan explore for oil in various parts of the country, particularly in the Cholistan Desert near Bahawalpur, believed to be rich in oil reserves. If successful, Pakistan could become self-sufficient in oil. This was announced after a meeting between Mana al Oteiba, the UAE's minister of petroleum and mineral resources, and Rao Farman Ali, Pakistani minister of oil and natural resources, who was visiting the UAE. The ministers also agreed to exchange oil experts to explore the possibilities of further technical cooperation, and discussed prevailing conditions on the world oil market and Opec's role in pricing oil and establishing a policy to protect its members' interests. [London 8 DAYS in English No 9, 6 Mar 82 p 56]

CSO: 4400/176

END

END OF

FICHE

DATE FILMED

15 April 1982